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HOUSE OF REPRESENTATIVES

I certify that the attached is a true and correct copy of the document which was filed of record in the Chief Clerk's Office and referred to the committee on:

*Licensing & Administrative Procedures*

*Cynthia Gerhardt*

Chief Clerk of the House

FILED JAN 25 1995

By CARONA

H. B. No. 796

A BILL TO BE ENTITLED

AN ACT

relating to the regulation of air conditioning and refrigeration contractors; providing penalties.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Section 2(7), Air Conditioning and Refrigeration Contractor License Law (Article 8861, Vernon's Texas Civil Statutes), is amended to read as follows:

(7) "Air conditioning and refrigeration maintenance work" means repair work and all other work required for the continued normal performance of an environmental air conditioning system, commercial refrigeration system or equipment, or process cooling or heating system. The term includes the cleaning of equipment and duct materials required for the proper operation of such a system. The term does not include the installation of a total replacement of the system or the installation or repair of boilers or pressure vessels [~~that must be installed by licensed persons--pursuant--to--rules--and--regulations---adopted---by---the commissioner~~] under Chapter 755, Health and Safety Code.

SECTION 2. Section 3(e), Air Conditioning and Refrigeration Contractor License Law (Article 8861, Vernon's Texas Civil Statutes), is amended to read as follows:

(e) The commissioner shall prescribe the method and content of examinations administered under this Act and shall set compliance requirements for the examinations. The examinations

1    [~~shall-be-offered-only-in-Travis-County-and~~] shall be offered on a  
2    quarterly basis at locations designated by the commissioner.

3            SECTION 3.    Section 3A, Air Conditioning and Refrigeration  
4    Contractor License Law (Article 8861, Vernon's Texas Civil  
5    Statutes), is amended by amending Subsections (b), (c), and (e) and  
6    adding Subsection (i) to read as follows:

7            (b) The advisory board is composed of six members, appointed  
8    by the commissioner, [~~governor-with-the-advice-and-consent-of-the~~  
9    ~~senate~~] who are experienced in the design, installation,  
10   construction, maintenance, service, repair, alteration, or  
11   modification of equipment used for environmental air conditioning,  
12   commercial refrigeration, or process cooling or heating. A member  
13   of the advisory board serves a term of six years, with terms  
14   expiring on February 1 of odd-numbered years.

15           (c) The commissioner [~~governor~~] shall appoint the advisory  
16   board members as follows:

17                (1) one member must be an official of a municipality  
18   with a population of not more than 250,000;

19                (2) one member must be an official of a municipality  
20   with a population greater than 250,000; and

21                (3) four members must be full-time licensed air  
22   conditioning and refrigeration contractors, as follows:

23                        (A) one member must hold a Class A license and  
24   must practice in a municipality with a population greater than  
25   250,000;

26                        (B) one member must hold a Class B license and  
27   must practice in a municipality with a population greater than

1 250,000;

2 (C) one member must hold a Class A license and  
3 must practice in a municipality with a population greater than  
4 25,000 but not more than 250,000; and

5 (D) one member must hold a Class B license and  
6 must practice in a municipality with a population of not more than  
7 25,000. [7]

8 (e) The commissioner [governor] shall designate one member  
9 of the board to serve as chairman. The commissioner and the chief  
10 administrator of this Act serve as ex officio, nonvoting members of  
11 the advisory board. On the resignation, death, suspension, or  
12 incapacity of any member, the commissioner [governor] shall fill  
13 the vacancy for the remainder of the unexpired term with an  
14 individual who represents the same interests with which the  
15 predecessor was identified.

16 (i) Section 8, Article 6252-33, Revised Statutes, does not  
17 apply to the advisory board.

18 SECTION 4. Section 3B, Air Conditioning and Refrigeration  
19 Contractor License Law (Article 8861, Vernon's Texas Civil  
20 Statutes), is amended to read as follows:

21 Sec. 3B. LICENSE REQUIRED; CITATION. (a) Unless the person  
22 is exempted under Section 6 of this Act, a person may not perform  
23 air conditioning and refrigeration contracting without a license  
24 under this Act.

25 (b) A representative of the department or a municipal  
26 official may issue a citation to a person who performs air  
27 conditioning and refrigeration contracting without a license issued

1 under this Act. To the extent authorized by Chapter 29, Government  
2 Code, the municipal court has concurrent jurisdiction with a  
3 justice court of a precinct in which the municipality is located in  
4 a case arising from a citation issued under this subsection.

5 SECTION 5. The Air Conditioning and Refrigeration Contractor  
6 License Law (Article 8861, Vernon's Texas Civil Statutes) is  
7 amended by adding Sections 3C and 3D to read as follows:

8 Sec. 3C. ENFORCEMENT OF CONTRACTS. (a) A person who  
9 performs air conditioning and refrigeration contracting without  
10 holding the appropriate license under this Act may not collect a  
11 fee or otherwise enforce a contract for the services performed. To  
12 enforce a contract for the performance of air conditioning and  
13 refrigeration contracting, the person who performs the services  
14 must present proof that the person holds a license under this Act  
15 at the time the contract is signed and the work performed.

16 (b) The commissioner may adopt rules relating to the manner  
17 in which proof may be presented under this section.

18 Sec. 3D. SALE OF CERTAIN EQUIPMENT RESTRICTED. (a) In this  
19 section, "equipment" means a working component of a system that  
20 cools through any compressive or evaporative cycle or heats through  
21 transfer of heat from any source to a distribution network. The  
22 term includes a replacement part for that system or component. The  
23 term does not include:

24 (1) equipment exempt from regulation under Section 6  
25 of this Act;

26 (2) duct materials; or

27 (3) separate piping, tubing, or electrical wiring that

1 may be used for purposes other than air conditioning and  
2 refrigeration.

3 (b) The department shall regulate the use and sale of  
4 equipment as provided by this section.

5 (c) To purchase equipment, a person exempt under Sections  
6 6(a)(2)-(7) of this Act must obtain a certificate of registration  
7 from the department and must present to the seller evidence of  
8 compliance with the registration requirement. The commissioner by  
9 rule shall adopt requirements governing the registration and the  
10 issuance of certificates of registration.

11 (d) Except as provided by Subsection (f) of this section, a  
12 person may sell equipment in this state only to a person who:

13 (1) is licensed under this Act or a municipal  
14 ordinance that complies with Section 9 of this Act; or

15 (2) holds a certificate of registration issued by the  
16 department under this section.

17 (e) The seller must obtain evidence from the purchaser of  
18 compliance by the purchaser with the license or registration  
19 requirements imposed under this Act that apply to the purchaser.  
20 The commissioner by rule shall establish requirements for the  
21 evidence.

22 (f) A seller may sell equipment to a person exempt under  
23 Section 6(a)(1) of this Act and is not required to obtain from the  
24 purchaser evidence of the exemption.

25 (g) A person commits an offense if the person sells  
26 equipment in this state in violation of Subsection (d) or (e) of  
27 this section. An offense under this subsection is a Class B

1 misdemeanor.

2 SECTION 6. Sections 4(f) and (g), Air Conditioning and  
3 Refrigeration Contractor License Law (Article 8861, Vernon's Texas  
4 Civil Statutes), are amended to read as follows:

5 (f) The application must be made on a form prescribed by the  
6 commissioner and must specify the class of license and each  
7 endorsement the applicant seeks. The application must be verified  
8 and must be accompanied by:

9 (1) [~~evidence-of-the-insurance-coverage-required-under~~  
10 ~~this-Act,~~

11 [~~2~~] a statement of the applicant's practical  
12 experience; and

13 (2) [~~3~~] the examination fee.

14 (g) The commissioner shall issue an air conditioning and  
15 refrigeration contractor license to an applicant who possesses the  
16 required qualifications, passes the appropriate examinations,  
17 furnishes evidence of the insurance coverage required under this  
18 Act, and pays the [~~examination-fee-and-the~~] original license fee  
19 required by this Act. An applicant who fails an examination is  
20 eligible for reexamination.

21 SECTION 7. Section 8, Air Conditioning and Refrigeration  
22 Contractor License Law (Article 8861, Vernon's Texas Civil  
23 Statutes), is amended to read as follows:

24 Sec. 8. PENALTY. Except as provided in Section 9, a person  
25 commits an offense if the person knowingly or intentionally engages  
26 in air conditioning and refrigeration contracting without a license  
27 issued under this Act. An offense under this section is a Class A

1 [B] misdemeanor.

2 SECTION 8. (a) The change in law made to Section 8, Air  
3 Conditioning and Refrigeration Contractor License Law (Article  
4 8861, Vernon's Texas Civil Statutes), by this Act applies only to  
5 an offense committed on or after the effective date of this Act.  
6 For purposes of this section, an offense is committed before the  
7 effective date of this Act if any element of the offense occurs  
8 before that date.

9 (b) An offense committed before the effective date of this  
10 Act is governed by the law in effect when the offense was  
11 committed, and the former law is continued in effect for that  
12 purpose.

13 SECTION 9. (a) Except as provided by Subsection (b) of this  
14 section, this Act takes effect September 1, 1995.

15 (b) Sections 3D(c), (d), (e), and (g), Air Conditioning and  
16 Refrigeration Contractor License Law (Article 8861, Vernon's Texas  
17 Civil Statutes), as added by this Act, take effect January 1, 1996.

18 (c) Not later than December 31, 1995, the commissioner of  
19 licensing and regulation shall adopt rules as required by Sections  
20 3C and 3D, Air Conditioning and Refrigeration Contractor License  
21 Law (Article 8861, Vernon's Texas Civil Statutes), as added by this  
22 Act.

23 (d) The commissioner of licensing and regulation shall make  
24 appointments to the Air Conditioning and Refrigeration Contractors  
25 Advisory Board under Section 3A, Air Conditioning and Refrigeration  
26 Contractor License Law (Article 8861, Vernon's Texas Civil  
27 Statutes), as amended by this Act, to replace board members whose

1 terms expire or who otherwise leave service on the board after the  
2 effective date of this Act. A member of the advisory board who is  
3 serving on the effective date of this Act may continue to serve  
4 until the expiration of that member's term, unless otherwise  
5 removed in accordance with law.

6 SECTION 10. The importance of this legislation and the  
7 crowded condition of the calendars in both houses create an  
8 emergency and an imperative public necessity that the  
9 constitutional rule requiring bills to be read on three several  
10 days in each house be suspended, and this rule is hereby suspended.



## COAUTHOR AUTHORIZATION-74TH LEGISLATURE

(please request your coauthors to sign this form  
in lieu of the front or the back of the original bill)

For chief clerk use only

Bill or Resolution Number:

HB 796

signature of primary author

printed name of primary author

Date

PERMISSION TO SIGN HB 796 HAS BEEN GIVEN TO (check only one of the following):  
(bill or resolution #)☒ ALL REPRESENTATIVES☐ THE FOLLOWING REPRESENTATIVE(S): \_\_\_\_\_

I authorize the Chief Clerk to include my name as a coauthor of the legislation indicated above:

A2120 Alexander	Date	A2115 Allen	Date	A2125 Alonzo	Date
A2105 Alvarado	Date	A2135 Averitt	Date	A2160 Bailey	Date
A2200 Berlanga	Date	A2240 Black	Date	A2270 Bomer	Date
A2275 Bosse	Date	A2265 Brady	Date	A2260 Brimer	Date
A2405 Carona	Date	A2400 Carter	Date	A2480 Chisum	Date
A2530 Clemons	Date	A2435 Coleman	Date	A2575 Combs	Date
A2580 Conley	Date	A2570 Cook	Date	A2595 Corte	Date
A2600 Counts	Date	A2605 Crabb	Date	A2610 Craddick	Date
A2645 Cuellar, Henry	Date	A2646 Cuellar, Renato	Date	A2635 Culberson	Date
A2670 Danburg	Date	A2675 Davila	Date	A2625 Davis	Date
A2630 De La Garza	Date	A2685 Dear	Date	A2680 Delisi	Date
A3385 Denny	Date	A2705 Driver	Date	A2665 Dukes	Date
A2655 Duncan	Date	A2650 Dutton	Date	A2770 Edwards	Date
A2760 Ehrhardt	Date	A2775 Eiland	Date	A2785 Elkins	Date
A2810 Farrar	Date	A2830 Finnell	Date	A2920 Gallego	Date
A2935 Giddings	Date	A2880 Glaze	Date	A2985 Goodman	Date
A2990 Goolsby	Date	A3005 Gray	Date	A3010 Greenberg	Date
A3020 Grusendorf	Date	A3030 Gutierrez	Date	A3035 Haggerty	Date
A2695 Hamric	Date	A3120 Harris	Date	A3170 Hartnett	Date
A3345 Hawley	Date	A3180 Heflin	Date	A3230 Hernandez	Date
A3240 Hightower	Date	A3310 Hilbert	Date	A3250 Hilderbran	Date

For chief clerk use only  
Bill or Resolution Number:

HB 796

A3275 Hill	Date	A3285 Hirschi	Date	A3305 Hochberg	Date
A3295 Holzheuser	Date	A3300 Horn	Date	A3315 Howard	Date
A3350 Hudson	Date	A3355 Hunter, Bob	Date	A3365 Hunter, Todd	Date
A3380 Jackson	Date	A3415 Janek	Date	A3395 Johnson	Date
A3405 Jones, Delwin	Date	A3400 Jones, Jesse	Date	A3440 Junell	Date
A3460 Kamel	Date	A3465 King	Date	A3485 Krusee	Date
A3490 Kubiak	Date	A3450 Kuempel	Date	A3510 Laney	Date
A3605 Lewis, Glenn	Date	A3600 Lewis, Ron		A3615 Longoria	Date
A3620 Luna	Date	A3715 Madden	Date	A3750 Marchant	Date
A2700 Maxey	Date	A3665 McCall	Date	A3670 McCoulskey	Date
A3660 McDonald	Date	A3850 Moffat	Date	A3860 Moreno	Date
A3865 Mowery	Date	A3855 Munoz	Date	A3885 Naishtat	Date
A3895 Nixon	Date	A3875 Oakley	Date	A3990 Ogden	Date
A3880 Oliveira	Date	A4020 Park	Date	A4070 Patterson	Date
A4180 Pickett	Date	A4185 Pitts	Date	A4110 Place	Date
A4190 Price	Date	A4200 Puente	Date	A4230 Rabuck	Date
A4210 Ramsay	Date	A4240 Rangel	Date	A4235 Raymond	Date
A4236 Reyna	Date	A4260 Rhodes	Date	A4315 Rodriguez	Date
A4325 Romo	Date	A4305 Rusling	Date	A4370 Sadler	Date
A4380 Saunders	Date	A4425 Seidlits	Date	A4460 Serna	Date
A4435 Shields	Date	A4445 Siebert	Date	A4530 Smithee	Date
A4550 Solis	Date	A4505 Solomons	Date	A4510 Stiles	Date
A4570 Swinford	Date	A4585 Talton	Date	A4605 Telford	Date
A4630 Thompson	Date	A4635 Tillery	Date	A4640 Torres	Date
A2730 Turner, Bob	Date	A4685 Turner, Sylvester	Date	A4690 Uher	Date
A4720 Van de Putte	Date	A4990 Walker	Date	A4995 West	Date
A5010 Williamson	Date	A4970 Willis	Date	A5000 Wilson	Date
A5015 Wohlgemuth	Date	A4980 Wolens	Date	A5005 Woolley	Date
A5025 Yarbrough	Date	A5030 Yost	Date	A5040 Zbranek	Date

# HOUSE COMMITTEE REPORT

1<sup>st</sup> Printing

By Carona

H.B. No. 796

Substitute the following for H.B. No. 796:

By Yarbrough

C.S.H.B. No. 796

## A BILL TO BE ENTITLED

### AN ACT

relating to the regulation of air conditioning and refrigeration contractors; providing penalties.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Sections 2(7) and (9), Air Conditioning and Refrigeration Contractor License Law (Article 8861, Vernon's Texas Civil Statutes), are amended to read as follows:

(7) "Air conditioning and refrigeration maintenance work" means repair work and all other work required for the continued normal performance of an environmental air conditioning system, commercial refrigeration system or equipment, or process cooling or heating system. The term does not include the installation of a total replacement of the system or the installation or repair of boilers or pressure vessels [~~that-must-be installed-by-licensed-persons-pursuant-to-rules-and-regulations adopted-by-the-commissioner~~] under Chapter 755, Health and Safety Code.

(9) "Air conditioning and refrigeration contracting" means the design, installation, construction, maintenance, service, repair, alteration, or modification of a product or of equipment in environmental air conditioning, commercial refrigeration, or process cooling or heating systems. The term includes cleaning equipment and duct materials as required for the proper operation of such a system.

1           SECTION 2. Section 3(e), Air Conditioning and Refrigeration  
2 Contractor License Law (Article 8861, Vernon's Texas Civil  
3 Statutes), is amended to read as follows:

4           (e) The commissioner shall prescribe the method and content  
5 of examinations administered under this Act and shall set  
6 compliance requirements for the examinations. The examinations  
7 ~~[shall--be-offered-only-in-Travis-County-and]~~ shall be offered on a  
8 quarterly basis at locations designated by the commissioner.

9           SECTION 3. Section 3A, Air Conditioning and Refrigeration  
10 Contractor License Law (Article 8861, Vernon's Texas Civil  
11 Statutes), is amended by adding Subsection (i) to read as follows:

12           (i) Section 8, Article 6252-33, Revised Statutes, does not  
13 apply to the advisory board.

14           SECTION 4. Section 3B, Air Conditioning and Refrigeration  
15 Contractor License Law (Article 8861, Vernon's Texas Civil  
16 Statutes), is amended to read as follows:

17           Sec. 3B. LICENSE REQUIRED; CITATION. (a) Unless the person  
18 is exempted under Section 6 of this Act, a person may not perform  
19 air conditioning and refrigeration contracting without a license  
20 under this Act.

21           (b) A representative of the department or a municipal  
22 official may issue a citation to a person who performs air  
23 conditioning and refrigeration contracting without a license issued  
24 under this Act. To the extent authorized by Chapter 29, Government  
25 Code, the municipal court has concurrent jurisdiction with a  
26 justice court of a precinct in which the municipality is located in  
27 a case arising from a citation issued under this subsection.

1           SECTION 5. The Air Conditioning and Refrigeration Contractor  
2 License Law (Article 8861, Vernon's Texas Civil Statutes) is  
3 amended by adding Section 3C to read as follows:

4           Sec. 3C. ENFORCEMENT OF CONTRACTS. (a) A person who  
5 performs air conditioning and refrigeration contracting without  
6 holding the appropriate license under this Act may not collect a  
7 fee or otherwise enforce a contract for the services performed. To  
8 enforce a contract for the performance of air conditioning and  
9 refrigeration contracting, the person who performs the services  
10 must present proof that the person holds a license under this Act  
11 at the time the contract is signed and the work performed.

12           (b) The commissioner shall adopt rules relating to the  
13 manner in which proof may be presented under this section.

14           SECTION 6. Sections 4(f) and (g), Air Conditioning and  
15 Refrigeration Contractor License Law (Article 8861, Vernon's Texas  
16 Civil Statutes), are amended to read as follows:

17           (f) The application must be made on a form prescribed by the  
18 commissioner and must specify the class of license and each  
19 endorsement the applicant seeks. The application must be verified  
20 and must be accompanied by:

21                   (1) ~~[evidence-of-the-insurance-coverage-required-under~~  
22 ~~this-Act;~~

23                   [+2+] a statement of the applicant's practical  
24 experience; and

25                   (2) [+3+] the examination fee.

26           (g) The commissioner shall issue an air conditioning and  
27 refrigeration contractor license to an applicant who possesses the

1 required qualifications, passes the appropriate examinations,  
2 furnishes evidence of the insurance coverage required under this  
3 Act, and pays the [~~examination-fee-and-the~~] original license fee  
4 required by this Act. An applicant who fails an examination is  
5 eligible for reexamination.

6 SECTION 7. Section 8, Air Conditioning and Refrigeration  
7 Contractor License Law (Article 8861, Vernon's Texas Civil  
8 Statutes), is amended to read as follows:

9 Sec. 8. PENALTY. Except as provided in Section 9, a person  
10 commits an offense if the person knowingly or intentionally engages  
11 in air conditioning and refrigeration contracting without a license  
12 issued under this Act. An offense under this section is a Class A  
13 [B] misdemeanor.

14 SECTION 8. (a) The change in law made to Section 8, Air  
15 Conditioning and Refrigeration Contractor License Law (Article  
16 8861, Vernon's Texas Civil Statutes), by this Act applies only to  
17 an offense committed on or after the effective date of this Act.  
18 For purposes of this section, an offense is committed before the  
19 effective date of this Act if any element of the offense occurs  
20 before that date.

21 (b) An offense committed before the effective date of this  
22 Act is governed by the law in effect when the offense was  
23 committed, and the former law is continued in effect for that  
24 purpose.

25 SECTION 9. (a) This Act takes effect September 1, 1995.

26 (b) Not later than December 31, 1995, the commissioner of  
27 licensing and regulation shall adopt rules as required by Section

1 3C, Air Conditioning and Refrigeration Contractor License Law  
2 (Article 8861, Vernon's Texas Civil Statutes), as added by this  
3 Act.

4 SECTION 10. The importance of this legislation and the  
5 crowded condition of the calendars in both houses create an  
6 emergency and an imperative public necessity that the  
7 constitutional rule requiring bills to be read on three several  
8 days in each house be suspended, and this rule is hereby suspended.

COMMITTEE REPORT

The Honorable Pete Laney  
Speaker of the House of Representatives

4-11-95  
(date)

Sir:

We, your COMMITTEE ON LICENSING AND ADMINISTRATIVE PROCEDURES

to whom was referred HB 796 have had the same under consideration and beg to report back with the recommendation that it

- ( ) do pass, without amendment.
- ( ) do pass, with amendment(s).
- (X) do pass and be not printed; a Complete Committee Substitute is recommended in lieu of the original measure.
- (X) yes ( ) no A fiscal note was requested.
- ( ) yes (X) no A criminal justice policy impact statement was requested.
- ( ) yes (X) no An equalized educational funding impact statement was requested.
- ( ) yes (X) no An actuarial analysis was requested.
- ( ) yes (X) no A water development policy impact statement was requested.
- ( ) The Committee recommends that this measure be sent to the Committee on Local and Consent Calendars.

For Senate Measures: House Sponsor \_\_\_\_\_

Joint Sponsors \_\_\_\_\_ / \_\_\_\_\_ / \_\_\_\_\_ / \_\_\_\_\_

Co-Sponsors: \_\_\_\_\_

The measure was reported from Committee by the following vote:

	AYE	NAY	PNV	ABSENT
Wilson, Ch.	X			
Kubiak, V.C.	X			
Brimer				X
Dear				X
Goolsby	X			
Jones, D.				X
Pickett	X			
Torres	X			
Yarbrough	X			

Total      6      aye  
                 0      nay  
                 0      present, not voting  
                 3      absent

Don Wilh  
CHAIRMAN



## BILL ANALYSIS

Licensing & Administrative Procedures Committee  
C.S.H.B. 796  
By: Carona  
4-11-95  
Committee Report (Substituted)

### BACKGROUND

The Air Conditioning and Refrigeration Contractor License Law (Article 8861) was originally passed in 1983 to provide consumer protection and industry relief from widely varying municipality requirements. The law requires persons engaging in environmental air conditioning, commercial refrigeration, or process heating or cooling to be examined and licensed by the State of Texas. The original law applied only to environmental air conditioning. In 1987 ventilation was added to the definition of environmental air conditioning, and commercial refrigeration and process cooling and heating was added as an endorsement to the same license.

### PURPOSE

C.S.H.B. 796 would clarify several areas in the present Air Conditioning and Refrigeration Contractor License Law to allow for better administration and enforcement of the law. It would also add new provisions related to air conditioning duct cleaning services and enforcement of contracts of non-licensed contractors.

### RULEMAKING AUTHORITY

It is the opinion of the committee that this bill would grant additional rulemaking authority in SECTION 2 to the Commissioner of the Department of Licensing and Regulation in designating locations for examinations and in SECTION 5 to adopt rules relating to the manner in which proof may be presented for enforcement of contracts. SECTION 9 also requires the adoption of rules by the Commissioner to enforce provisions of the act.

### SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 2(7) and (9), Air Conditioning and Refrigeration Contractor License Law (Article 8861, V.T.C.S.) to clarify that the definition of "air conditioning and refrigeration maintenance work" does not include the repair of boilers or pressure vessels also adds duct cleaning to the definition of "air conditioning and refrigeration contracting." .

SECTION 2. Amends Section 3(e), Air Conditioning and Refrigeration Contractor License Law (Article 8861, V.T.C.S.) by deleting the requirement to hold examinations only in Travis County and authorizing the commissioner to designate locations.

SECTION 3. Amends Section 3A, Air Conditioning and Refrigeration Contractor License Law (Article 8861, V.T.C.S.) by exempting the advisory board from the provision in Article 6252-33, Revised Statutes, limiting an advisory board's existence to four years.

SECTION 4. Amends Section 3B, Air Conditioning and Refrigeration Contractor License Law (Article 8861, V.T.C.S.) by authorizing department of licensing and regulation personnel or municipal officials to issue citations to unlicensed persons performing work requiring a license under the Law

SECTION 5. Amends the Air Conditioning and Refrigeration Contractor Licensing Law (Article 8861, V.T.C.S.) by adding Section 3C to provide that an unlicensed person who performs work

requiring a license may not collect a fee or enforce a contract for that work and authorizes the Commissioner to adopt rules relating to this section.

SECTION 6. Amends Sections 4(f) and (g), Air Conditioning and Refrigeration Contractor Licensing Law (Article 8861, V.T.C.S.) by requiring commissioner to issue a license when furnished evidence of insurance coverage.

SECTION 7. Amends Section 8, Air Conditioning and Refrigeration Contractor Licensing Law (Article 8861, V.T.C.S.) by changing an offense for engaging in air conditioning and refrigeration contracting without a license from a Class B misdemeanor to a Class A misdemeanor.

SECTION 8. Limits the application of Sec. 8, Air Conditioning and Refrigeration Contractor Licensing Law (Article 8861, V.T.C.S.) to offenses committed on or after the effective date of this act.

SECTION 9. Effective date of September 1, 1995. The Commissioner is required to adopt rules as required by Section 3C no later than December 31, 1995.

SECTION 10. Emergency clause.

#### COMPARISON OF ORIGINAL TO SUBSTITUTE

The Committee Substitute for HB 796 moves the added language "The term includes the cleaning of equipment and duct materials required for the proper operation of such a system." from Section (7) to Section (9) of the Air Conditioning and Refrigeration Contractor Licensing Law; deletes the section changing the authority to appoint members of the advisory board from the governor to the commissioner contained in the original ; the original also provided for Sale of Certain Equipment Restricted and that language to the Act has been deleted from the substitute.

#### SUMMARY OF COMMITTEE ACTION

HB 796 was heard in a Public Hearing on March 29, 1995. Rep. Jones offered a complete committee substitute. The Chair recognized the following persons to testify in favor of the bill:

Mr. Fred E. Kahn, TACCA;

HB 796 was left pending in committee. There was no objection. HB 796 was heard in a Public Hearing on April 11, 1995. The Chair called up HB 796 which was pending in committee. The Chair laid out a complete committee substitute and moved adoption of CSHB 796. There was no objection Rep. Yarbrough moved that the full committee adopt HB 796 as substituted, and that it be reported favorably to the full House with the recommendation that it do pass and be printed. The motion prevailed by the following vote: AYES: 6, NAYS: 0, ABSENT: 3.

**LEGISLATIVE BUDGET BOARD**  
**Austin, Texas**

**FISCAL NOTE**  
**74th Regular Session**

April 19, 1995

TO: Honorable Ron Wilson, Chair  
Committee on Licensing & Administrative  
Procedures  
House of Representatives  
Austin, Texas

IN RE: Committee Substitute  
for House Bill No. 796

FROM: John Keel, Director

In response to your request for a Fiscal Note on House Bill No. 796 (relating to the regulation of air conditioning and refrigeration contractors; providing penalties) this office has determined the following:

No fiscal implication to the State or units of local government is anticipated.

Source: LBB Staff: JK, DF

**LEGISLATIVE BUDGET BOARD**  
**Austin, Texas**

**FISCAL NOTE**  
**74th Regular Session**

March 29, 1995

TO: Honorable Ron Wilson, Chair  
Committee on Licensing & Administrative  
Procedures  
House of Representatives  
Austin, Texas

IN RE: House Bill No. 796  
By: Carona

FROM: John Keel, Director

In response to your request for a Fiscal Note on House Bill No. 796 (Relating to the regulation of air conditioning and refrigeration contractors; providing penalties.) this office has determined the following:

The bill would make no appropriation but could provide the legal basis for an appropriation of funds to implement the provisions of the bill.

The bill would allow the Department of Licensing and Regulation or a municipality to issue citations to persons who perform air conditioning and refrigeration contracting without a license. The Department of Licensing and Regulation would regulate the use and sale of certain equipment relating to air conditioning and refrigeration by issuing licenses or exemptions. The affected population would need to be licensed or registered exempt by January 1, 1996.

It is assumed that the first fiscal year would department would issue 55,300 licenses/permits. Thereafter the number issued would be approximately 5,500 per year. The agency would set the fees to cover expenses.

The probable fiscal implication of implementing the provisions of the bill during each of the first five years following passage is estimated as follows:

Fiscal Year	Probable Cost Out of General Revenue Fund 001	Probable Revenue Gain to General Revenue Fund 001	Change in Number of State Employees from FY 1995
1996	\$707,000	\$4,147,500	8.0
1997	368,000	412,500	9.0
1998	365,000	412,500	9.0
1999	365,000	412,500	9.0
2000	365,000	412,500	9.0

Similar annual fiscal implications would continue as long as the provisions of the bill are in effect.

No significant fiscal implication to units of local government is anticipated.

Source: Department of Licensing and Regulation  
LBB Staff: JK, LR, DF

ADOPTED

as amended

MAY 2 1995

Cynthia Burkhardt  
Chief Clerk  
House of Representatives

By CARONA

H.B. No. 796

Substitute the following for H.B. No. 796:

By Yarbrough

C.S. H.B. No. 796

A BILL TO BE ENTITLED

AN ACT

relating to the regulation of air conditioning and refrigeration contractors; providing penalties.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Sections 2(7) and (9), Air Conditioning and Refrigeration Contractor License Law (Article 8861, Vernon's Texas Civil Statutes), are amended to read as follows:

(7) "Air conditioning and refrigeration maintenance work" means repair work and all other work required for the continued normal performance of an environmental air conditioning system, commercial refrigeration system or equipment, or process cooling or heating system. The term does not include the installation of a total replacement of the system or the installation or repair of boilers or pressure vessels [~~that must be installed by licensed persons pursuant to rules and regulations adopted by the commissioner~~] under Chapter 755, Health and Safety Code.

(9) "Air conditioning and refrigeration contracting" means the design, installation, construction, maintenance, service, repair, alteration, or modification of a product or of equipment in environmental air conditioning, commercial refrigeration, or process cooling or heating systems. The term includes cleaning equipment and duct materials as required for the proper operation of such a system.

1           SECTION 2. Section 3(e), Air Conditioning and Refrigeration  
2 Contractor License Law (Article 8861, Vernon's Texas Civil  
3 Statutes), is amended to read as follows:

4           (e) The commissioner shall prescribe the method and content  
5 of examinations administered under this Act and shall set  
6 compliance requirements for the examinations. The examinations  
7 ~~[shall--be-offered-only-in-Travis-County-and]~~ shall be offered on a  
8 quarterly basis at locations designated by the commissioner.

9           SECTION 3. Section 3A, Air Conditioning and Refrigeration  
10 Contractor License Law (Article 8861, Vernon's Texas Civil  
11 Statutes), is amended by adding Subsection (i) to read as follows:

12           (i) Section 8, Article 6252-33, Revised Statutes, does not  
13 apply to the advisory board.

14           SECTION 4. Section 3B, Air Conditioning and Refrigeration  
15 Contractor License Law (Article 8861, Vernon's Texas Civil  
16 Statutes), is amended to read as follows:

17           Sec. 3B. LICENSE REQUIRED; CITATION. (a) Unless the person  
18 is exempted under Section 6 of this Act, a person may not perform  
19 air conditioning and refrigeration contracting without a license  
20 under this Act.

21           (b) A representative of the department or a municipal  
22 official may issue a citation to a person who performs air  
23 conditioning and refrigeration contracting without a license issued  
24 under this Act. To the extent authorized by Chapter 29, Government  
25 Code, the municipal court has concurrent jurisdiction with a  
26 justice court of a precinct in which the municipality is located in  
27 a case arising from a citation issued under this subsection.

1           SECTION 5. The Air Conditioning and Refrigeration Contractor  
2 License Law (Article 8861, Vernon's Texas Civil Statutes) is  
3 amended by adding Section 3C to read as follows:

4           Sec. 3C. ENFORCEMENT OF CONTRACTS. (a) A person who  
5 performs air conditioning and refrigeration contracting without  
6 holding the appropriate license under this Act may not collect a  
7 fee or otherwise enforce a contract for the services performed. To  
8 enforce a contract for the performance of air conditioning and  
9 refrigeration contracting, the person who performs the services  
10 must present proof that the person holds a license under this Act  
11 at the time the contract is signed and the work performed.

12           (b) The commissioner shall adopt rules relating to the  
13 manner in which proof may be presented under this section.

14           SECTION 6. Sections 4(f) and (g), Air Conditioning and  
15 Refrigeration Contractor License Law (Article 8861, Vernon's Texas  
16 Civil Statutes), are amended to read as follows:

17           (f) The application must be made on a form prescribed by the  
18 commissioner and must specify the class of license and each  
19 endorsement the applicant seeks. The application must be verified  
20 and must be accompanied by:

21           (1) ~~[evidence-of-the-insurance-coverage-required-under~~  
22 ~~this-Act;~~

23           [+2+] a statement of the applicant's practical  
24 experience; and

25           (2) [+3+] the examination fee.

26           (g) The commissioner shall issue an air conditioning and  
27 refrigeration contractor license to an applicant who possesses the



1 required qualifications, passes the appropriate examinations,  
2 furnishes evidence of the insurance coverage required under this  
3 Act, and pays the [~~examination-fee-and-the~~] original license fee  
4 required by this Act. An applicant who fails an examination is  
5 eligible for reexamination.

6 SECTION 7. Section 8, Air Conditioning and Refrigeration  
7 Contractor License Law (Article 8861, Vernon's Texas Civil  
8 Statutes), is amended to read as follows:

9 Sec. 8. PENALTY. Except as provided in Section 9, a person  
10 commits an offense if the person knowingly or intentionally engages  
11 in air conditioning and refrigeration contracting without a license  
12 issued under this Act. An offense under this section is a Class A  
13 [B] misdemeanor.

14 SECTION 8. (a) The change in law made to Section 8, Air  
15 Conditioning and Refrigeration Contractor License Law (Article  
16 8861, Vernon's Texas Civil Statutes), by this Act applies only to  
17 an offense committed on or after the effective date of this Act.  
18 For purposes of this section, an offense is committed before the  
19 effective date of this Act if any element of the offense occurs  
20 before that date.

21 (b) An offense committed before the effective date of this  
22 Act is governed by the law in effect when the offense was  
23 committed, and the former law is continued in effect for that  
24 purpose.

25 SECTION 9. (a) This Act takes effect September 1, 1995.

26 (b) Not later than December 31, 1995, the commissioner of  
27 licensing and regulation shall adopt rules as required by Section

1 3C, Air Conditioning and Refrigeration Contractor License Law  
2 (Article 8861, Vernon's Texas Civil Statutes), as added by this  
3 Act.

4 SECTION 10. The importance of this legislation and the  
5 crowded condition of the calendars in both houses create an  
6 emergency and an imperative public necessity that the  
7 constitutional rule requiring bills to be read on three several  
8 days in each house be suspended, and this rule is hereby suspended.

MAY 02 1995

LIST OF HOUSE AMENDMENTS CONSIDERED

HB796.2n - Second Reading

AMENDMENT #	AUTHOR	DESCRIPTION	ACTION
1	Carona	Amendment	Adopted
2	Yarbrough	Amdt to Amd	Adopted



002124

ADOPTED as amended

MAY 2 1995

95 APR 28 PH 3:49  
HOUSE OF REPRESENTATIVESCynthia Garhardt  
Chief Clerk  
House of RepresentativesFLOOR AMENDMENT NO. 1BY CARONA

1 Amend C.S.H.B. 796 by striking all below the enacting clause  
2 and substituting the following:

3 SECTION 1. Sections 2(7) and (9), Air Conditioning and  
4 Refrigeration Contractor License Law (Article 8861, Vernon's Texas  
5 Civil Statutes), are amended to read as follows:

6 (7) "Air conditioning and refrigeration maintenance  
7 work" means repair work and all other work required for the  
8 continued normal performance of an environmental air conditioning  
9 system, commercial refrigeration system or equipment, or process  
10 cooling or heating system. The term does not include the  
11 installation of a total replacement of the system or the  
12 installation or repair of boilers or pressure vessels [~~that-must-be~~  
13 ~~installed-by-licensed-persons-pursuant-to-rules-and-regulations~~  
14 ~~adopted-by-the-commissioner~~] under Chapter 755, Health and Safety  
15 Code.

16 (9) "Air conditioning and refrigeration contracting"  
17 means the design, installation, construction, maintenance,  
18 service, repair, alteration, or modification of a product or of  
19 equipment in environmental air conditioning, commercial  
20 refrigeration, or process cooling or heating systems. The term  
21 includes cleaning equipment and duct materials as required for the  
22 proper operation of such a system.

23 SECTION 2. Section 3(e), Air Conditioning and Refrigeration  
24 Contractor License Law (Article 8861, Vernon's Texas Civil

1 Statutes), is amended to read as follows:

2 (e) The commissioner shall prescribe the method and content  
3 of examinations administered under this Act and shall set  
4 compliance requirements for the examinations. The examinations  
5 ~~[shall--be-offered-only-in-Travis-County-and]~~ shall be offered on a  
6 quarterly basis at locations designated by the commissioner.

7 SECTION 3. Section 3A, Air Conditioning and Refrigeration  
8 Contractor License Law (Article 8861, Vernon's Texas Civil  
9 Statutes), is amended by adding Subsection (i) to read as follows:

10 (i) Section 8, Article 6252-33, Revised Statutes, does not  
11 apply to the advisory board.

12 SECTION 4. Section 3B, Air Conditioning and Refrigeration  
13 Contractor License Law (Article 8861, Vernon's Texas Civil  
14 Statutes), is amended to read as follows:

15 Sec. 3B. LICENSE REQUIRED; CITATION. (a) Unless the person  
16 is exempted under Section 6 of this Act, a person may not perform  
17 air conditioning and refrigeration contracting without a license  
18 under this Act.

19 (b) A representative of the department or a municipal  
20 official may issue a citation to a person who performs air  
21 conditioning and refrigeration contracting without a license issued  
22 under this Act. To the extent authorized by Chapter 29, Government  
23 Code, the municipal court has concurrent jurisdiction with a  
24 justice court of a precinct in which the municipality is located in  
25 a case arising from a citation issued under this subsection.

26 SECTION 5. The Air Conditioning and Refrigeration Contractor  
27 License Law (Article 8861, Vernon's Texas Civil Statutes) is

1 amended by adding Section 3C to read as follows:

2 Sec. 3C. ENFORCEMENT OF CONTRACTS. (a) A person who  
3 performs air conditioning and refrigeration contracting without  
4 holding the appropriate license under this Act may not collect a  
5 fee or otherwise enforce a contract for the services performed. To  
6 enforce a contract for the performance of air conditioning and  
7 refrigeration contracting, the person who performs the services  
8 must present proof that the person holds a license under this Act  
9 at the time the contract is signed and the work performed.

10 (b) The commissioner shall adopt rules relating to the  
11 manner in which proof may be presented under this section.

12 SECTION 6. Sections 4(f) and (g), Air Conditioning and  
13 Refrigeration Contractor License Law (Article 8861, Vernon's Texas  
14 Civil Statutes), are amended to read as follows:

15 (f) The application must be made on a form prescribed by the  
16 commissioner and must specify the class of license and each  
17 endorsement the applicant seeks. The application must be verified  
18 and must be accompanied by:

19 (1) ~~[evidence-of-the-insurance-coverage-required-under~~  
20 ~~this-Act,~~

21 ~~[+2+]~~ a statement of the applicant's practical  
22 experience; and

23 (2) [+3+] the examination fee.

24 (g) The commissioner shall issue an air conditioning and  
25 refrigeration contractor license to an applicant who possesses the  
26 required qualifications, passes the appropriate examinations,  
27 furnishes evidence of the insurance coverage required under this

1 Act, and pays the [~~examination-fee-and-the~~] original license fee  
2 required by this Act. An applicant who fails an examination is  
3 eligible for reexamination.

4 SECTION 7. Section 7, Air Conditioning and Refrigeration  
5 Contractor License Law (Article 8861, Vernon's Texas Civil  
6 Statutes), is amended to read as follows:

7 Sec. 7. REPORTING REQUIREMENT. (a) Each air conditioning  
8 and refrigeration contractor [person] licensed under this Act shall  
9 notify the municipal authority who has control of the enforcement  
10 of regulations relative to air conditioning and refrigeration  
11 contracting in the municipality in which the person is engaged in  
12 air conditioning and refrigeration contracting that the person has  
13 obtained a state license.

14 (b) The notification must be in the form required by the  
15 municipality.

16 (c) The amount of a fee imposed by a municipality on a  
17 contractor to provide notice under this section must be an amount  
18 reasonable and necessary to implement this section.

19 SECTION 8. Section 8, Air Conditioning and Refrigeration  
20 Contractor License Law (Article 8861, Vernon's Texas Civil  
21 Statutes), is amended to read as follows:

22 Sec. 8. PENALTY. Except as provided in Section 9, a person  
23 commits an offense if the person knowingly or intentionally engages  
24 in air conditioning and refrigeration contracting without a license  
25 issued under this Act. An offense under this section is a Class A  
26 [B] misdemeanor.

27 SECTION 9. Section 9, Air Conditioning and Refrigeration

1 Contractor License Law (Article 8861, Vernon's Texas Civil  
2 Statutes), is amended to read as follows:

3 Sec. 9. MUNICIPAL REGULATION. (a) A license issued by a  
4 municipality of this state that complies with the requirements of  
5 this section is valid under the terms of the license within that  
6 municipality. However, a license issued under this Act is valid  
7 throughout the state, and the holder and people under supervision  
8 are not required to hold a municipal license to practice air  
9 conditioning and refrigeration contracting in any municipality  
10 within this state.

11 (b) An applicant for a municipal license must:

12 (1) pass an examination that covers the same subjects  
13 as the examination required by the commissioner for an air  
14 conditioning and refrigeration contractor license of the class of  
15 work that the municipal applicant proposes to perform; and

16 (2) meet experience requirements that are at least as  
17 strict as those required under Section 4(e) of this Act for an air  
18 conditioning and refrigeration contractor license.

19 (c) A municipality may by ordinance adopt and enforce  
20 standards for air conditioning and refrigeration contractors that  
21 are consistent with the standards established under this Act. The  
22 municipality shall report violations of the ordinance to the  
23 commissioner not later than the 10th day after the date on which  
24 the municipality takes action to enforce the ordinance. Conviction  
25 of an offense under the municipal ordinance is a ground for the  
26 denial, suspension, or revocation of a license issued under this  
27 Act.



1           SECTION 10.   Section 23(c), The Real Estate License Act  
2   (Article 6573a, Vernon's Texas Civil Statutes), is amended by  
3   adding Subdivision (4) to read as follows:

4           (4) In addition to the license requirements imposed  
5   under Subdivisions (1)-(3) of this subsection, a business entity  
6   that inspects an environmental air conditioning system, commercial  
7   refrigeration system, or process cooling or heating system as part  
8   of a real estate inspection conducted under this Act must employ a  
9   person who holds the appropriate air conditioning and refrigeration  
10   contractor licenses and endorsements under the Air Conditioning and  
11   Refrigeration Contractor License Law (Article 8861, Vernon's Texas  
12   Civil Statutes). An employee who does not hold a license or  
13   endorsement under the Air Conditioning and Refrigeration Contractor  
14   License Law (Article 8861, Vernon's Texas Civil Statutes) may  
15   perform the inspection under the direction of the license holder.  
16   For purposes of this Act, "inspection" of environmental air  
17   conditioning, commercial refrigeration, and process cooling and  
18   heating equipment means an inspection that includes the use of  
19   electronic instruments, gauges, thermometers, mechanical  
20   instruments, or other meters that require direct in-line connection  
21   to the refrigerant system.

22           SECTION 11.   Section 32.12(a), Education Code, is amended to  
23   read as follows:

24           (a) The following schools or educational institutions are  
25   specifically exempt from the provisions of this chapter and are not  
26   within the definition of "proprietary school":  
27

          (1) a school or educational institution supported by

1     taxation from either a local or State source;

2             (2)   nonprofit schools owned, controlled, operated, and  
3     conducted by bona fide religious, denominational, eleemosynary, or  
4     similar public institutions exempt from property taxation under the  
5     laws of this State, but such schools may choose to apply for a  
6     certificate of approval hereunder, and upon approval and issuance,  
7     shall be subject to the provisions of this chapter as determined by  
8     the administrator;

9             (3)   a school or training program which offers  
10    instruction of purely avocational or recreational subjects as  
11    determined by the administrator;

12            (4)   a course or courses of instruction or study  
13    sponsored by an employer for the training and preparation of its  
14    own employees, and for which no tuition fee is charged to the  
15    student;

16            (5)   a course or courses of study or instruction  
17    sponsored by a recognized trade, business, or professional  
18    organization for the instruction of the members of the organization  
19    with a closed membership;

20            (6)   private colleges or universities which award a  
21    recognized baccalaureate, or higher degree, and which maintain and  
22    operate educational programs for which a majority of the credits  
23    given are transferable to a college, junior college, or university  
24    supported entirely or partly by taxation from either a local or  
25    State source;

26            (7)   a school or course which is otherwise regulated  
27    and approved under and pursuant to any other law or rulemaking

1 process of the State or approved for continuing education credit by  
2 an organization that accredits courses for the maintenance of a  
3 license, except as provided by Subsection (c) of this section;

4 (8) aviation schools or instructors approved by and  
5 under the supervision of the Federal Aviation Administration;

6 (9) a school which offers intensive review courses  
7 designed to prepare students for certified public accountancy  
8 tests, public accountancy tests, law school aptitude tests, bar  
9 examinations, or medical college admissions tests;

10 (10) a private school offering primary or secondary  
11 education, which may include kindergarten or prekindergarten  
12 program, and which satisfies the compulsory attendance requirements  
13 of Section 21.032 of this code pursuant to Section 21.033(a)(1) of  
14 this code; [and]

15 (11) a course or courses of instruction by bona fide  
16 electrical trade associations for the purpose of preparing students  
17 for electrical tests required for licensing and for the purpose of  
18 providing continuing education to students for the renewal of  
19 electrical licenses; and

20 (12) a course or training program conducted by a  
21 nonprofit association of air conditioning and refrigeration  
22 contractors to provide instruction for technical, business, or  
23 license examination preparation programs relating to air  
24 conditioning and refrigeration contracting, as that term is defined  
25 by the Air Conditioning and Refrigeration Contractor License Law  
26 (Article 8861, Vernon's Texas Civil Statutes).

27 SECTION 12. Section 25, Residential Service Company Act

1 (Article 6573b, Revised Statutes), is amended to read as follows:

2 Sec. 25. EXEMPTIONS. The provisions of this Act shall not  
3 apply to any of the following persons and transactions, and each  
4 and all of the following persons and transactions are hereby  
5 exempted from the provisions of this Act, to wit:

6 (a) performance guarantees given by either the builder  
7 of a home or the manufacturer or seller of an appliance or other  
8 system or component;

9 (b) any residential service contract executed on or  
10 before the effective date of this Act;

11 (c) any service contract, guarantee, or warranty  
12 intending to guarantee or warrant the repairs or service of a home  
13 appliance, system, or component, provided such service contract,  
14 guarantee, or warranty is issued by a person who has sold,  
15 serviced, repaired, or provided replacement of such appliance,  
16 system, or component at the time of, or prior to the issuance of  
17 such contract, guarantee, or warranty; and provided further that  
18 the person issuing the service contract, guarantee, or warranty  
19 does not engage in the business of a service company;

20 (d) any person engaging in the business of structural  
21 pest control in compliance with the Texas Structural Pest Control  
22 Act, as amended (Article 135b-6, Vernon's Texas Civil Statutes,  
23 1925);

24 (e) any person who performs air conditioning and  
25 refrigeration contracting in compliance with the Air Conditioning  
26 and Refrigeration Contractor License Law (Article 8861, Vernon's  
27 Texas Civil Statutes); and

1           (f) any service or maintenance contract or agreement,  
2 or warranty, which provides for, warrants, or guarantees, the  
3 maintenance, repair, service, replacement, or operation or  
4 performance, of any product or part thereof, including but not  
5 limited to a structural component, the appliances, or the  
6 electrical, plumbing, heating, cooling or air-conditioning systems  
7 in or of a building or residence, provided such service or  
8 maintenance contract or agreement, or warranty is sold, offered for  
9 sale, or issued by the manufacturer or merchant who manufactured or  
10 sold such product or part thereof.

11           SECTION 13. (a) The change in law made to Section 8, Air  
12 Conditioning and Refrigeration Contractor License Law (Article  
13 8861, Vernon's Texas Civil Statutes), by this Act applies only to  
14 an offense committed on or after the effective date of this Act.  
15 For purposes of this section, an offense is committed before the  
16 effective date of this Act if any element of the offense occurs  
17 before that date.

18           (b) An offense committed before the effective date of this  
19 Act is governed by the law in effect when the offense was  
20 committed, and the former law is continued in effect for that  
21 purpose.

22           SECTION 14. (a) Except as provided by Subsection (b) of  
23 this section, the change in law made to Section 9, Air Conditioning  
24 and Refrigeration Contractor License Law (Article 8861, Vernon's  
25 Texas Civil Statutes), by this Act applies to a municipal license  
26 that is issued or renewed on or after the effective date of this  
27 Act. A municipality subject to that section shall adopt

1 examination requirements in compliance with that section not later  
2 than January 1, 1996.

3 (b) To continue to engage in the practice of air  
4 conditioning and refrigeration contracting after September 1, 1995,  
5 a person who holds a municipal license on the effective date of  
6 this Act must satisfy the examination requirements imposed under  
7 Section 9(b), Air Conditioning and Refrigeration Contractor License  
8 Law (Article 8861, Vernon's Texas Civil Statutes), as amended by  
9 this Act, not later than June 1, 1996.

10 SECTION 15. (a) This Act takes effect September 1, 1995.

11 (b) Not later than December 31, 1995, the commissioner of  
12 licensing and regulation shall adopt rules as required by Section  
13 3C, Air Conditioning and Refrigeration Contractor License Law  
14 (Article 8861, Vernon's Texas Civil Statutes), as added by this  
15 Act.

16 (c) Section 23(c), The Real Estate License Act (Article  
17 6573a, Vernon's Texas Civil Statutes), as amended by this Act,  
18 applies only to a real estate inspection that is conducted on or  
19 after the effective date of this Act. A real estate inspection  
20 conducted before that date is governed by the law in effect on the  
21 date that the inspection occurs, and the former law is continued in  
22 effect for that purpose.

23 (d) Section 32.12(a), Education Code, as amended by this  
24 Act, applies only to a course or training program conducted by a  
25 nonprofit association of air conditioning and refrigeration  
26 contractors that is offered on or after the effective date of this  
27 Act. A course or training program offered before that date is

1 governed by the law in effect on the date that the course or  
2 program is offered, and the former law is continued in effect for  
3 that purpose.

4 (e) Section 25, Residential Service Company Act (Article  
5 6573b, Revised Statutes), as amended by this Act, applies only to a  
6 residential service contract that is entered into on or after the  
7 effective date of this Act. A residential service contract that is  
8 entered into before that date is governed by the law in effect on  
9 the date that the contract is entered into, and the former law is  
10 continued in effect for that purpose.

11 SECTION 16. The importance of this legislation and the  
12 crowded condition of the calendars in both houses create an  
13 emergency and an imperative public necessity that the  
14 constitutional rule requiring bills to be read on three several  
15 days in each house be suspended, and this rule is hereby suspended.



FLOOR AMENDMENT NO. 2

BY Yarling

(Amendment no. 1 by Carona to)

Amend C.S.H.B. 796 on page 8, line 22 after "contractors," by adding "approved by the Air Conditioning and Refrigeration Contractors Advisory Board,"

**ADOPTED**

MAY 2 1995

Cynthia G. Gaudet  
Chief Clerk  
House of Representatives

*C. G.*



**2ND READING  
ENGROSSMENT**

By Carona

H.B. No. 796

A BILL TO BE ENTITLED

AN ACT

relating to the regulation of air conditioning and refrigeration contractors; providing penalties.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Sections 2(7) and (9), Air Conditioning and Refrigeration Contractor License Law (Article 8861, Vernon's Texas Civil Statutes), are amended to read as follows:

(7) "Air conditioning and refrigeration maintenance work" means repair work and all other work required for the continued normal performance of an environmental air conditioning system, commercial refrigeration system or equipment, or process cooling or heating system. The term does not include the installation of a total replacement of the system or the installation or repair of boilers or pressure vessels [~~that must be installed by licensed persons pursuant to rules and regulations adopted by the commissioner~~] under Chapter 755, Health and Safety Code.

(9) "Air conditioning and refrigeration contracting" means the design, installation, construction, maintenance, service, repair, alteration, or modification of a product or of equipment in environmental air conditioning, commercial refrigeration, or process cooling or heating systems. The term includes cleaning equipment and duct materials as required for the proper operation of such a system.

1           SECTION 2. Section 3(e), Air Conditioning and Refrigeration  
2 Contractor License Law (Article 8861, Vernon's Texas Civil  
3 Statutes), is amended to read as follows:

4           (e) The commissioner shall prescribe the method and content  
5 of examinations administered under this Act and shall set  
6 compliance requirements for the examinations. The examinations  
7 ~~[shall--be-offered-only-in-Travis-County-and]~~ shall be offered on a  
8 quarterly basis at locations designated by the commissioner.

9           SECTION 3. Section 3A, Air Conditioning and Refrigeration  
10 Contractor License Law (Article 8861, Vernon's Texas Civil  
11 Statutes), is amended by adding Subsection (i) to read as follows:

12           (i) Section 8, Article 6252-33, Revised Statutes, does not  
13 apply to the advisory board.

14           SECTION 4. Section 3B, Air Conditioning and Refrigeration  
15 Contractor License Law (Article 8861, Vernon's Texas Civil  
16 Statutes), is amended to read as follows:

17           Sec. 3B. LICENSE REQUIRED; CITATION. (a) Unless the person  
18 is exempted under Section 6 of this Act, a person may not perform  
19 air conditioning and refrigeration contracting without a license  
20 under this Act.

21           (b) A representative of the department or a municipal  
22 official may issue a citation to a person who performs air  
23 conditioning and refrigeration contracting without a license issued  
24 under this Act. To the extent authorized by Chapter 29, Government  
25 Code, the municipal court has concurrent jurisdiction with a  
26 justice court of a precinct in which the municipality is located in  
27 a case arising from a citation issued under this subsection.

1           SECTION 5. The Air Conditioning and Refrigeration Contractor  
2 License Law (Article 8861, Vernon's Texas Civil Statutes) is  
3 amended by adding Section 3C to read as follows:

4           Sec. 3C. ENFORCEMENT OF CONTRACTS. (a) A person who  
5 performs air conditioning and refrigeration contracting without  
6 holding the appropriate license under this Act may not collect a  
7 fee or otherwise enforce a contract for the services performed. To  
8 enforce a contract for the performance of air conditioning and  
9 refrigeration contracting, the person who performs the services  
10 must present proof that the person holds a license under this Act  
11 at the time the contract is signed and the work performed.

12           (b) The commissioner shall adopt rules relating to the  
13 manner in which proof may be presented under this section.

14           SECTION 6. Sections 4(f) and (g), Air Conditioning and  
15 Refrigeration Contractor License Law (Article 8861, Vernon's Texas  
16 Civil Statutes), are amended to read as follows:

17           (f) The application must be made on a form prescribed by the  
18 commissioner and must specify the class of license and each  
19 endorsement the applicant seeks. The application must be verified  
20 and must be accompanied by:

21                   (1) ~~[evidence-of-the-insurance-coverage-required-under~~  
22 ~~this-Act;~~

23                   [+2+] a statement of the applicant's practical  
24 experience; and

25                   (2) [+3+] the examination fee.

26           (g) The commissioner shall issue an air conditioning and  
27 refrigeration contractor license to an applicant who possesses the

1 required qualifications, passes the appropriate examinations,  
2 furnishes evidence of the insurance coverage required under this  
3 Act, and pays the [~~examination-fee-and-the~~] original license fee  
4 required by this Act. An applicant who fails an examination is  
5 eligible for reexamination.

6 SECTION 7. Section 7, Air Conditioning and Refrigeration  
7 Contractor License Law (Article 8861, Vernon's Texas Civil  
8 Statutes), is amended to read as follows:

9 Sec. 7. REPORTING REQUIREMENT. (a) Each air conditioning  
10 and refrigeration contractor [~~person~~] licensed under this Act shall  
11 notify the municipal authority who has control of the enforcement  
12 of regulations relative to air conditioning and refrigeration  
13 contracting in the municipality in which the person is engaged in  
14 air conditioning and refrigeration contracting that the person has  
15 obtained a state license.

16 (b) The notification must be in the form required by the  
17 municipality.

18 (c) The amount of a fee imposed by a municipality on a  
19 contractor to provide notice under this section must be an amount  
20 reasonable and necessary to implement this section.

21 SECTION 8. Section 8, Air Conditioning and Refrigeration  
22 Contractor License Law (Article 8861, Vernon's Texas Civil  
23 Statutes), is amended to read as follows:

24 Sec. 8. PENALTY. Except as provided in Section 9, a person  
25 commits an offense if the person knowingly or intentionally engages  
26 in air conditioning and refrigeration contracting without a license  
27 issued under this Act. An offense under this section is a Class A

1 [B] misdemeanor.

2 SECTION 9. Section 9, Air Conditioning and Refrigeration  
3 Contractor License Law (Article 8861, Vernon's Texas Civil  
4 Statutes), is amended to read as follows:

5 Sec. 9. MUNICIPAL REGULATION. (a) A license issued by a  
6 municipality of this state that complies with the requirements of  
7 this section is valid under the terms of the license within that  
8 municipality. However, a license issued under this Act is valid  
9 throughout the state, and the holder and people under supervision  
10 are not required to hold a municipal license to practice air  
11 conditioning and refrigeration contracting in any municipality  
12 within this state.

13 (b) An applicant for a municipal license must:

14 (1) pass an examination that covers the same subjects  
15 as the examination required by the commissioner for an air  
16 conditioning and refrigeration contractor license of the class of  
17 work that the municipal applicant proposes to perform; and

18 (2) meet experience requirements that are at least as  
19 strict as those required under Section 4(e) of this Act for an air  
20 conditioning and refrigeration contractor license.

21 (c) A municipality may by ordinance adopt and enforce  
22 standards for air conditioning and refrigeration contractors that  
23 are consistent with the standards established under this Act. The  
24 municipality shall report violations of the ordinance to the  
25 commissioner not later than the 10th day after the date on which  
26 the municipality takes action to enforce the ordinance. Conviction  
27 of an offense under the municipal ordinance is a ground for the

1 denial, suspension, or revocation of a license issued under this  
2 Act.

3 SECTION 10. Section 23(c), The Real Estate License Act  
4 (Article 6573a, Vernon's Texas Civil Statutes), is amended by  
5 adding Subdivision (4) to read as follows:

6 (4) In addition to the license requirements imposed  
7 under Subdivisions (1)-(3) of this subsection, a business entity  
8 that inspects an environmental air conditioning system, commercial  
9 refrigeration system, or process cooling or heating system as part  
10 of a real estate inspection conducted under this Act must employ a  
11 person who holds the appropriate air conditioning and refrigeration  
12 contractor licenses and endorsements under the Air Conditioning and  
13 Refrigeration Contractor License Law (Article 8861, Vernon's Texas  
14 Civil Statutes). An employee who does not hold a license or  
15 endorsement under the Air Conditioning and Refrigeration Contractor  
16 License Law (Article 8861, Vernon's Texas Civil Statutes) may  
17 perform the inspection under the direction of the license holder.  
18 For purposes of this Act, "inspection" of environmental air  
19 conditioning, commercial refrigeration, and process cooling and  
20 heating equipment means an inspection that includes the use of  
21 electronic instruments, gauges, thermometers, mechanical  
22 instruments, or other meters that require direct in-line connection  
23 to the refrigerant system.

24 SECTION 11. Section 32.12(a), Education Code, is amended to  
25 read as follows:

26 (a) The following schools or educational institutions are  
27 specifically exempt from the provisions of this chapter and are not

1 within the definition of "proprietary school":

2 (1) a school or educational institution supported by  
3 taxation from either a local or State source;

4 (2) nonprofit schools owned, controlled, operated, and  
5 conducted by bona fide religious, denominational, eleemosynary, or  
6 similar public institutions exempt from property taxation under the  
7 laws of this State, but such schools may choose to apply for a  
8 certificate of approval hereunder, and upon approval and issuance,  
9 shall be subject to the provisions of this chapter as determined by  
10 the administrator;

11 (3) a school or training program which offers  
12 instruction of purely avocational or recreational subjects as  
13 determined by the administrator;

14 (4) a course or courses of instruction or study  
15 sponsored by an employer for the training and preparation of its  
16 own employees, and for which no tuition fee is charged to the  
17 student;

18 (5) a course or courses of study or instruction  
19 sponsored by a recognized trade, business, or professional  
20 organization for the instruction of the members of the organization  
21 with a closed membership;

22 (6) private colleges or universities which award a  
23 recognized baccalaureate, or higher degree, and which maintain and  
24 operate educational programs for which a majority of the credits  
25 given are transferable to a college, junior college, or university  
26 supported entirely or partly by taxation from either a local or  
27 State source;

1           (7) a school or course which is otherwise regulated  
2 and approved under and pursuant to any other law or rulemaking  
3 process of the State or approved for continuing education credit by  
4 an organization that accredits courses for the maintenance of a  
5 license, except as provided by Subsection (c) of this section;

6           (8) aviation schools or instructors approved by and  
7 under the supervision of the Federal Aviation Administration;

8           (9) a school which offers intensive review courses  
9 designed to prepare students for certified public accountancy  
10 tests, public accountancy tests, law school aptitude tests, bar  
11 examinations, or medical college admissions tests;

12           (10) a private school offering primary or secondary  
13 education, which may include kindergarten or prekindergarten  
14 program, and which satisfies the compulsory attendance requirements  
15 of Section 21.032 of this code pursuant to Section 21.033(a)(1) of  
16 this code; ~~and~~

17           (11) a course or courses of instruction by bona fide  
18 electrical trade associations for the purpose of preparing students  
19 for electrical tests required for licensing and for the purpose of  
20 providing continuing education to students for the renewal of  
21 electrical licenses; and

22           (12) a course or training program conducted by a  
23 nonprofit association of air conditioning and refrigeration  
24 contractors approved by the Air Conditioning and Refrigeration  
25 Contractors Advisory Board, to provide instruction for technical,  
26 business, or license examination preparation programs relating to  
27 air conditioning and refrigeration contracting, as that term is



1 defined by the Air Conditioning and Refrigeration Contractor  
2 License Law (Article 8861, Vernon's Texas Civil Statutes).

3 SECTION 12. Section 25, Residential Service Company Act  
4 (Article 6573b, Revised Statutes), is amended to read as follows:

5 Sec. 25. EXEMPTIONS. The provisions of this Act shall not  
6 apply to any of the following persons and transactions, and each  
7 and all of the following persons and transactions are hereby  
8 exempted from the provisions of this Act, to wit:

9 (a) performance guarantees given by either the builder  
10 of a home or the manufacturer or seller of an appliance or other  
11 system or component;

12 (b) any residential service contract executed on or  
13 before the effective date of this Act;

14 (c) any service contract, guarantee, or warranty  
15 intending to guarantee or warrant the repairs or service of a home  
16 appliance, system, or component, provided such service contract,  
17 guarantee, or warranty is issued by a person who has sold,  
18 serviced, repaired, or provided replacement of such appliance,  
19 system, or component at the time of, or prior to the issuance of  
20 such contract, guarantee, or warranty; and provided further that  
21 the person issuing the service contract, guarantee, or warranty  
22 does not engage in the business of a service company;

23 (d) any person engaging in the business of structural  
24 pest control in compliance with the Texas Structural Pest Control  
25 Act, as amended (Article 135b-6, Vernon's Texas Civil Statutes,  
26 1925);

27 (e) any person who performs air conditioning and

1 refrigeration contracting in compliance with the Air Conditioning  
2 and Refrigeration Contractor License Law (Article 8861, Vernon's  
3 Texas Civil Statutes); and

4           (f) any service or maintenance contract or agreement,  
5 or warranty, which provides for, warrants, or guarantees, the  
6 maintenance, repair, service, replacement, or operation or  
7 performance, of any product or part thereof, including but not  
8 limited to a structural component, the appliances, or the  
9 electrical, plumbing, heating, cooling or air-conditioning systems  
10 in or of a building or residence, provided such service or  
11 maintenance contract or agreement, or warranty is sold, offered for  
12 sale, or issued by the manufacturer or merchant who manufactured or  
13 sold such product or part thereof.

14           SECTION 13. (a) The change in law made to Section 8, Air  
15 Conditioning and Refrigeration Contractor License Law (Article  
16 8861, Vernon's Texas Civil Statutes), by this Act applies only to  
17 an offense committed on or after the effective date of this Act.  
18 For purposes of this section, an offense is committed before the  
19 effective date of this Act if any element of the offense occurs  
20 before that date.

21           (b) An offense committed before the effective date of this  
22 Act is governed by the law in effect when the offense was  
23 committed, and the former law is continued in effect for that  
24 purpose.

25           SECTION 14. (a) Except as provided by Subsection (b) of  
26 this section, the change in law made to Section 9, Air Conditioning  
27 and Refrigeration Contractor License Law (Article 8861, Vernon's

1 Texas Civil Statutes), by this Act applies to a municipal license  
2 that is issued or renewed on or after the effective date of this  
3 Act. A municipality subject to that section shall adopt  
4 examination requirements in compliance with that section not later  
5 than January 1, 1996.

6 (b) To continue to engage in the practice of air  
7 conditioning and refrigeration contracting after September 1, 1995,  
8 a person who holds a municipal license on the effective date of  
9 this Act must satisfy the examination requirements imposed under  
10 Section 9(b), Air Conditioning and Refrigeration Contractor License  
11 Law (Article 8861, Vernon's Texas Civil Statutes), as amended by  
12 this Act, not later than June 1, 1996.

13 SECTION 15. (a) This Act takes effect September 1, 1995.

14 (b) Not later than December 31, 1995, the commissioner of  
15 licensing and regulation shall adopt rules as required by Section  
16 3C, Air Conditioning and Refrigeration Contractor License Law  
17 (Article 8861, Vernon's Texas Civil Statutes), as added by this  
18 Act.

19 (c) Section 23(c), The Real Estate License Act (Article  
20 6573a, Vernon's Texas Civil Statutes), as amended by this Act,  
21 applies only to a real estate inspection that is conducted on or  
22 after the effective date of this Act. A real estate inspection  
23 conducted before that date is governed by the law in effect on the  
24 date that the inspection occurs, and the former law is continued in  
25 effect for that purpose.

26 (d) Section 32.12(a), Education Code, as amended by this  
27 Act, applies only to a course or training program conducted by a

1 nonprofit association of air conditioning and refrigeration  
2 contractors that is offered on or after the effective date of this  
3 Act. A course or training program offered before that date is  
4 governed by the law in effect on the date that the course or  
5 program is offered, and the former law is continued in effect for  
6 that purpose.

7 (e) Section 25, Residential Service Company Act (Article  
8 6573b, Revised Statutes), as amended by this Act, applies only to a  
9 residential service contract that is entered into on or after the  
10 effective date of this Act. A residential service contract that is  
11 entered into before that date is governed by the law in effect on  
12 the date that the contract is entered into, and the former law is  
13 continued in effect for that purpose.

14 SECTION 16. The importance of this legislation and the  
15 crowded condition of the calendars in both houses create an  
16 emergency and an imperative public necessity that the  
17 constitutional rule requiring bills to be read on three several  
18 days in each house be suspended, and this rule is hereby suspended.

# HOUSE ENGROSSMENT

By Carona

H.B. No. 796

A BILL TO BE ENTITLED

AN ACT

relating to the regulation of air conditioning and refrigeration contractors; providing penalties.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Sections 2(7) and (9), Air Conditioning and Refrigeration Contractor License Law (Article 8861, Vernon's Texas Civil Statutes), are amended to read as follows:

(7) "Air conditioning and refrigeration maintenance work" means repair work and all other work required for the continued normal performance of an environmental air conditioning system, commercial refrigeration system or equipment, or process cooling or heating system. The term does not include the installation of a total replacement of the system or the installation or repair of boilers or pressure vessels [~~that-must-be installed-by-licensed-persons-pursuant-to-rules-and-regulations adopted-by-the-commissioner~~] under Chapter 755, Health and Safety Code.

(9) "Air conditioning and refrigeration contracting" means the design, installation, construction, maintenance, service, repair, alteration, or modification of a product or of equipment in environmental air conditioning, commercial refrigeration, or process cooling or heating systems. The term includes cleaning equipment and duct materials as required for the proper operation of such a system.

1           SECTION 2. Section 3(e), Air Conditioning and Refrigeration  
2 Contractor License Law (Article 8861, Vernon's Texas Civil  
3 Statutes), is amended to read as follows:

4           (e) The commissioner shall prescribe the method and content  
5 of examinations administered under this Act and shall set  
6 compliance requirements for the examinations. The examinations  
7 ~~[shall--be-offered-only-in-Travis-County-and]~~ shall be offered on a  
8 quarterly basis at locations designated by the commissioner.

9           SECTION 3. Section 3A, Air Conditioning and Refrigeration  
10 Contractor License Law (Article 8861, Vernon's Texas Civil  
11 Statutes), is amended by adding Subsection (i) to read as follows:

12           (i) Section 8, Article 6252-33, Revised Statutes, does not  
13 apply to the advisory board.

14           SECTION 4. Section 3B, Air Conditioning and Refrigeration  
15 Contractor License Law (Article 8861, Vernon's Texas Civil  
16 Statutes), is amended to read as follows:

17           Sec. 3B. LICENSE REQUIRED; CITATION. (a) Unless the person  
18 is exempted under Section 6 of this Act, a person may not perform  
19 air conditioning and refrigeration contracting without a license  
20 under this Act.

21           (b) A representative of the department or a municipal  
22 official may issue a citation to a person who performs air  
23 conditioning and refrigeration contracting without a license issued  
24 under this Act. To the extent authorized by Chapter 29, Government  
25 Code, the municipal court has concurrent jurisdiction with a  
26 justice court of a precinct in which the municipality is located in  
27 a case arising from a citation issued under this subsection.

1           SECTION 5. The Air Conditioning and Refrigeration Contractor  
2 License Law (Article 8861, Vernon's Texas Civil Statutes) is  
3 amended by adding Section 3C to read as follows:

4           Sec. 3C. ENFORCEMENT OF CONTRACTS. (a) A person who  
5 performs air conditioning and refrigeration contracting without  
6 holding the appropriate license under this Act may not collect a  
7 fee or otherwise enforce a contract for the services performed. To  
8 enforce a contract for the performance of air conditioning and  
9 refrigeration contracting, the person who performs the services  
10 must present proof that the person holds a license under this Act  
11 at the time the contract is signed and the work performed.

12           (b) The commissioner shall adopt rules relating to the  
13 manner in which proof may be presented under this section.

14           SECTION 6. Sections 4(f) and (g), Air Conditioning and  
15 Refrigeration Contractor License Law (Article 8861, Vernon's Texas  
16 Civil Statutes), are amended to read as follows:

17           (f) The application must be made on a form prescribed by the  
18 commissioner and must specify the class of license and each  
19 endorsement the applicant seeks. The application must be verified  
20 and must be accompanied by:

21           (1) ~~[evidence-of-the-insurance-coverage-required-under~~  
22 ~~this-Act,~~

23           [+2+] a statement of the applicant's practical  
24 experience; and

25           (2) [+3+] the examination fee.

26           (g) The commissioner shall issue an air conditioning and  
27 refrigeration contractor license to an applicant who possesses the

1 required qualifications, passes the appropriate examinations,  
2 furnishes evidence of the insurance coverage required under this  
3 Act, and pays the [~~examination-fee-and-the~~] original license fee  
4 required by this Act. An applicant who fails an examination is  
5 eligible for reexamination.

6 SECTION 7. Section 7, Air Conditioning and Refrigeration  
7 Contractor License Law (Article 8861, Vernon's Texas Civil  
8 Statutes), is amended to read as follows:

9 Sec. 7. REPORTING REQUIREMENT. (a) Each air conditioning  
10 and refrigeration contractor [~~person~~] licensed under this Act shall  
11 notify the municipal authority who has control of the enforcement  
12 of regulations relative to air conditioning and refrigeration  
13 contracting in the municipality in which the person is engaged in  
14 air conditioning and refrigeration contracting that the person has  
15 obtained a state license.

16 (b) The notification must be in the form required by the  
17 municipality.

18 (c) The amount of a fee imposed by a municipality on a  
19 contractor to provide notice under this section must be an amount  
20 reasonable and necessary to implement this section.

21 SECTION 8. Section 8, Air Conditioning and Refrigeration  
22 Contractor License Law (Article 8861, Vernon's Texas Civil  
23 Statutes), is amended to read as follows:

24 Sec. 8. PENALTY. Except as provided in Section 9, a person  
25 commits an offense if the person knowingly or intentionally engages  
26 in air conditioning and refrigeration contracting without a license  
27 issued under this Act. An offense under this section is a Class A



1 [B] misdemeanor.

2 SECTION 9. Section 9, Air Conditioning and Refrigeration  
3 Contractor License Law (Article 8861, Vernon's Texas Civil  
4 Statutes), is amended to read as follows:

5 Sec. 9. MUNICIPAL REGULATION. (a) A license issued by a  
6 municipality of this state that complies with the requirements of  
7 this section is valid under the terms of the license within that  
8 municipality. However, a license issued under this Act is valid  
9 throughout the state, and the holder and people under supervision  
10 are not required to hold a municipal license to practice air  
11 conditioning and refrigeration contracting in any municipality  
12 within this state.

13 (b) An applicant for a municipal license must:

14 (1) pass an examination that covers the same subjects  
15 as the examination required by the commissioner for an air  
16 conditioning and refrigeration contractor license of the class of  
17 work that the municipal applicant proposes to perform; and

18 (2) meet experience requirements that are at least as  
19 strict as those required under Section 4(e) of this Act for an air  
20 conditioning and refrigeration contractor license.

21 (c) A municipality may by ordinance adopt and enforce  
22 standards for air conditioning and refrigeration contractors that  
23 are consistent with the standards established under this Act. The  
24 municipality shall report violations of the ordinance to the  
25 commissioner not later than the 10th day after the date on which  
26 the municipality takes action to enforce the ordinance. Conviction  
27 of an offense under the municipal ordinance is a ground for the

1 denial, suspension, or revocation of a license issued under this  
2 Act.

3 SECTION 10. Section 23(c), The Real Estate License Act  
4 (Article 6573a, Vernon's Texas Civil Statutes), is amended by  
5 adding Subdivision (4) to read as follows:

6 (4) In addition to the license requirements imposed  
7 under Subdivisions (1)-(3) of this subsection, a business entity  
8 that inspects an environmental air conditioning system, commercial  
9 refrigeration system, or process cooling or heating system as part  
10 of a real estate inspection conducted under this Act must employ a  
11 person who holds the appropriate air conditioning and refrigeration  
12 contractor licenses and endorsements under the Air Conditioning and  
13 Refrigeration Contractor License Law (Article 8861, Vernon's Texas  
14 Civil Statutes). An employee who does not hold a license or  
15 endorsement under the Air Conditioning and Refrigeration Contractor  
16 License Law (Article 8861, Vernon's Texas Civil Statutes) may  
17 perform the inspection under the direction of the license holder.  
18 For purposes of this Act, "inspection" of environmental air  
19 conditioning, commercial refrigeration, and process cooling and  
20 heating equipment means an inspection that includes the use of  
21 electronic instruments, gauges, thermometers, mechanical  
22 instruments, or other meters that require direct in-line connection  
23 to the refrigerant system.

24 SECTION 11. Section 32.12(a), Education Code, is amended to  
25 read as follows:

26 (a) The following schools or educational institutions are  
27 specifically exempt from the provisions of this chapter and are not

1 within the definition of "proprietary school":

2 (1) a school or educational institution supported by  
3 taxation from either a local or State source;

4 (2) nonprofit schools owned, controlled, operated, and  
5 conducted by bona fide religious, denominational, eleemosynary, or  
6 similar public institutions exempt from property taxation under the  
7 laws of this State, but such schools may choose to apply for a  
8 certificate of approval hereunder, and upon approval and issuance,  
9 shall be subject to the provisions of this chapter as determined by  
10 the administrator;

11 (3) a school or training program which offers  
12 instruction of purely avocational or recreational subjects as  
13 determined by the administrator;

14 (4) a course or courses of instruction or study  
15 sponsored by an employer for the training and preparation of its  
16 own employees, and for which no tuition fee is charged to the  
17 student;

18 (5) a course or courses of study or instruction  
19 sponsored by a recognized trade, business, or professional  
20 organization for the instruction of the members of the organization  
21 with a closed membership;

22 (6) private colleges or universities which award a  
23 recognized baccalaureate, or higher degree, and which maintain and  
24 operate educational programs for which a majority of the credits  
25 given are transferable to a college, junior college, or university  
26 supported entirely or partly by taxation from either a local or  
27 State source;

1           (7) a school or course which is otherwise regulated  
2 and approved under and pursuant to any other law or rulemaking  
3 process of the State or approved for continuing education credit by  
4 an organization that accredits courses for the maintenance of a  
5 license, except as provided by Subsection (c) of this section;

6           (8) aviation schools or instructors approved by and  
7 under the supervision of the Federal Aviation Administration;

8           (9) a school which offers intensive review courses  
9 designed to prepare students for certified public accountancy  
10 tests, public accountancy tests, law school aptitude tests, bar  
11 examinations, or medical college admissions tests;

12           (10) a private school offering primary or secondary  
13 education, which may include kindergarten or prekindergarten  
14 program, and which satisfies the compulsory attendance requirements  
15 of Section 21.032 of this code pursuant to Section 21.033(a)(1) of  
16 this code; [and]

17           (11) a course or courses of instruction by bona fide  
18 electrical trade associations for the purpose of preparing students  
19 for electrical tests required for licensing and for the purpose of  
20 providing continuing education to students for the renewal of  
21 electrical licenses; and

22           (12) a course or training program conducted by a  
23 nonprofit association of air conditioning and refrigeration  
24 contractors approved by the Air Conditioning and Refrigeration  
25 Contractors Advisory Board, to provide instruction for technical,  
26 business, or license examination preparation programs relating to  
27 air conditioning and refrigeration contracting, as that term is

1 defined by the Air Conditioning and Refrigeration Contractor  
2 License Law (Article 8861, Vernon's Texas Civil Statutes).

3 SECTION 12. Section 25, Residential Service Company Act  
4 (Article 6573b, Revised Statutes), is amended to read as follows:

5 Sec. 25. EXEMPTIONS. The provisions of this Act shall not  
6 apply to any of the following persons and transactions, and each  
7 and all of the following persons and transactions are hereby  
8 exempted from the provisions of this Act, to wit:

9 (a) performance guarantees given by either the builder  
10 of a home or the manufacturer or seller of an appliance or other  
11 system or component;

12 (b) any residential service contract executed on or  
13 before the effective date of this Act;

14 (c) any service contract, guarantee, or warranty  
15 intending to guarantee or warrant the repairs or service of a home  
16 appliance, system, or component, provided such service contract,  
17 guarantee, or warranty is issued by a person who has sold,  
18 serviced, repaired, or provided replacement of such appliance,  
19 system, or component at the time of, or prior to the issuance of  
20 such contract, guarantee, or warranty; and provided further that  
21 the person issuing the service contract, guarantee, or warranty  
22 does not engage in the business of a service company;

23 (d) any person engaging in the business of structural  
24 pest control in compliance with the Texas Structural Pest Control  
25 Act, as amended (Article 135b-6, Vernon's Texas Civil Statutes,  
26 1925);

27 (e) any person who performs air conditioning and

1 refrigeration contracting in compliance with the Air Conditioning  
2 and Refrigeration Contractor License Law (Article 8861, Vernon's  
3 Texas Civil Statutes); and

4           (f) any service or maintenance contract or agreement,  
5 or warranty, which provides for, warrants, or guarantees, the  
6 maintenance, repair, service, replacement, or operation or  
7 performance, of any product or part thereof, including but not  
8 limited to a structural component, the appliances, or the  
9 electrical, plumbing, heating, cooling or air-conditioning systems  
10 in or of a building or residence, provided such service or  
11 maintenance contract or agreement, or warranty is sold, offered for  
12 sale, or issued by the manufacturer or merchant who manufactured or  
13 sold such product or part thereof.

14           SECTION 13. (a) The change in law made to Section 8, Air  
15 Conditioning and Refrigeration Contractor License Law (Article  
16 8861, Vernon's Texas Civil Statutes), by this Act applies only to  
17 an offense committed on or after the effective date of this Act.  
18 For purposes of this section, an offense is committed before the  
19 effective date of this Act if any element of the offense occurs  
20 before that date.

21           (b) An offense committed before the effective date of this  
22 Act is governed by the law in effect when the offense was  
23 committed, and the former law is continued in effect for that  
24 purpose.

25           SECTION 14. (a) Except as provided by Subsection (b) of  
26 this section, the change in law made to Section 9, Air Conditioning  
27 and Refrigeration Contractor License Law (Article 8861, Vernon's

1 Texas Civil Statutes), by this Act applies to a municipal license  
2 that is issued or renewed on or after the effective date of this  
3 Act. A municipality subject to that section shall adopt  
4 examination requirements in compliance with that section not later  
5 than January 1, 1996.

6 (b) To continue to engage in the practice of air  
7 conditioning and refrigeration contracting after September 1, 1995,  
8 a person who holds a municipal license on the effective date of  
9 this Act must satisfy the examination requirements imposed under  
10 Section 9(b), Air Conditioning and Refrigeration Contractor License  
11 Law (Article 8861, Vernon's Texas Civil Statutes), as amended by  
12 this Act, not later than June 1, 1996.

13 SECTION 15. (a) This Act takes effect September 1, 1995.

14 (b) Not later than December 31, 1995, the commissioner of  
15 licensing and regulation shall adopt rules as required by Section  
16 3C, Air Conditioning and Refrigeration Contractor License Law  
17 (Article 8861, Vernon's Texas Civil Statutes), as added by this  
18 Act.

19 (c) Section 23(c), The Real Estate License Act (Article  
20 6573a, Vernon's Texas Civil Statutes), as amended by this Act,  
21 applies only to a real estate inspection that is conducted on or  
22 after the effective date of this Act. A real estate inspection  
23 conducted before that date is governed by the law in effect on the  
24 date that the inspection occurs, and the former law is continued in  
25 effect for that purpose.

26 (d) Section 32.12(a), Education Code, as amended by this  
27 Act, applies only to a course or training program conducted by a

1 nonprofit association of air conditioning and refrigeration  
2 contractors that is offered on or after the effective date of this  
3 Act. A course or training program offered before that date is  
4 governed by the law in effect on the date that the course or  
5 program is offered, and the former law is continued in effect for  
6 that purpose.

7 (e) Section 25, Residential Service Company Act (Article  
8 6573b, Revised Statutes), as amended by this Act, applies only to a  
9 residential service contract that is entered into on or after the  
10 effective date of this Act. A residential service contract that is  
11 entered into before that date is governed by the law in effect on  
12 the date that the contract is entered into, and the former law is  
13 continued in effect for that purpose.

14 SECTION 16. The importance of this legislation and the  
15 crowded condition of the calendars in both houses create an  
16 emergency and an imperative public necessity that the  
17 constitutional rule requiring bills to be read on three several  
18 days in each house be suspended, and this rule is hereby suspended.



**LEGISLATIVE BUDGET BOARD**  
**Austin, Texas**

**FISCAL NOTE**  
**74th Regular Session**

April 19, 1995

TO: Honorable Ron Wilson, Chair  
Committee on Licensing & Administrative  
Procedures  
House of Representatives  
Austin, Texas

IN RE: Committee Substitute  
for House Bill No. 796

FROM: John Keel, Director

In response to your request for a Fiscal Note on House Bill No. 796 (relating to the regulation of air conditioning and refrigeration contractors; providing penalties) this office has determined the following:

No fiscal implication to the State or units of local government is anticipated.

Source: LBB Staff: JK, DF

**LEGISLATIVE BUDGET BOARD**  
**Austin, Texas**

**FISCAL NOTE**  
**74th Regular Session**

March 29, 1995

TO: Honorable Ron Wilson, Chair  
Committee on Licensing & Administrative  
Procedures  
House of Representatives  
Austin, Texas

IN RE: House Bill No. 796  
By: Carona

FROM: John Keel, Director

In response to your request for a Fiscal Note on House Bill No. 796 (Relating to the regulation of air conditioning and refrigeration contractors; providing penalties.) this office has determined the following:

The bill would make no appropriation but could provide the legal basis for an appropriation of funds to implement the provisions of the bill.

The bill would allow the Department of Licensing and Regulation or a municipality to issue citations to persons who perform air conditioning and refrigeration contracting without a license. The Department of Licensing and Regulation would regulate the use and sale of certain equipment relating to air conditioning and refrigeration by issuing licenses or exemptions. The affected population would need to be licensed or registered exempt by January 1, 1996.

It is assumed that the first fiscal year would department would issue 55,300 licenses/permits. Thereafter the number issued would be approximately 5,500 per year. The agency would set the fees to cover expenses.

The probable fiscal implication of implementing the provisions of the bill during each of the first five years following passage is estimated as follows:

Fiscal Year	Probable Cost Out of General Revenue Fund 001	Probable Revenue Gain to General Revenue Fund 001	Change in Number of State Employees from FY 1995
1996	\$707,000	\$4,147,500	8.0
1997	368,000	412,500	9.0
1998	365,000	412,500	9.0
1999	365,000	412,500	9.0
2000	365,000	412,500	9.0

Similar annual fiscal implications would continue as long as the provisions of the bill are in effect.

No significant fiscal implication to units of local government is anticipated.

Source: Department of Licensing and Regulation  
LBB Staff: JK, LR, DF

By: Carona (Senate Sponsor - Cain) H.B. No. 796  
(In the Senate - Received from the House May 4, 1995;  
May 5, 1995, read first time and referred to Committee on Economic  
Development; May 23, 1995, reported favorably by the following  
vote: Yeas 6, Nays 0; May 23, 1995, sent to printer.)

A BILL TO BE ENTITLED  
AN ACT

relating to the regulation of air conditioning and refrigeration  
contractors; providing penalties.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Sections 2(7) and (9), Air Conditioning and  
Refrigeration Contractor License Law (Article 8861, Vernon's Texas  
Civil Statutes), are amended to read as follows:

(7) "Air conditioning and refrigeration maintenance  
work" means repair work and all other work required for the  
continued normal performance of an environmental air conditioning  
system, commercial refrigeration system or equipment, or process  
cooling or heating system. The term does not include the  
installation of a total replacement of the system or the  
installation or repair of boilers or pressure vessels [~~that must be  
installed--by--licensed--persons--pursuant-to-rules-and-regulations  
adopted-by-the-commissioner~~] under Chapter 755, Health and Safety  
Code.

(9) "Air conditioning and refrigeration contracting"  
means the design, installation, construction, maintenance,  
service, repair, alteration, or modification of a product or of  
equipment in environmental air conditioning, commercial  
refrigeration, or process cooling or heating systems. The term  
includes cleaning equipment and duct materials as required for the  
proper operation of such a system.

SECTION 2. Section 3(e), Air Conditioning and Refrigeration  
Contractor License Law (Article 8861, Vernon's Texas Civil  
Statutes), is amended to read as follows:

(e) The commissioner shall prescribe the method and content  
of examinations administered under this Act and shall set  
compliance requirements for the examinations. The examinations  
~~[shall be offered only in Travis County and]~~ shall be offered on a  
quarterly basis at locations designated by the commissioner.

SECTION 3. Section 3A, Air Conditioning and Refrigeration  
Contractor License Law (Article 8861, Vernon's Texas Civil  
Statutes), is amended by adding Subsection (i) to read as follows:

(i) Section 8, Article 6252-33, Revised Statutes, does not  
apply to the advisory board.

SECTION 4. Section 3B, Air Conditioning and Refrigeration  
Contractor License Law (Article 8861, Vernon's Texas Civil  
Statutes), is amended to read as follows:

Sec. 3B. LICENSE REQUIRED; CITATION. (a) Unless the person  
is exempted under Section 6 of this Act, a person may not perform  
air conditioning and refrigeration contracting without a license  
under this Act.

(b) A representative of the department or a municipal  
official may issue a citation to a person who performs air  
conditioning and refrigeration contracting without a license issued  
under this Act. To the extent authorized by Chapter 29, Government  
Code, the municipal court has concurrent jurisdiction with a  
justice court of a precinct in which the municipality is located in  
a case arising from a citation issued under this subsection.

SECTION 5. The Air Conditioning and Refrigeration Contractor  
License Law (Article 8861, Vernon's Texas Civil Statutes) is  
amended by adding Section 3C to read as follows:

Sec. 3C. ENFORCEMENT OF CONTRACTS. (a) A person who  
performs air conditioning and refrigeration contracting without  
holding the appropriate license under this Act may not collect a  
fee or otherwise enforce a contract for the services performed. To  
enforce a contract for the performance of air conditioning and  
refrigeration contracting, the person who performs the services  
must present proof that the person holds a license under this Act  
at the time the contract is signed and the work performed.

(b) The commissioner shall adopt rules relating to the manner in which proof may be presented under this section.

SECTION 6. Sections 4(f) and (g), Air Conditioning and Refrigeration Contractor License Law (Article 8861, Vernon's Texas Civil Statutes), are amended to read as follows:

(f) The application must be made on a form prescribed by the commissioner and must specify the class of license and each endorsement the applicant seeks. The application must be verified and must be accompanied by:

(1) ~~[evidence-of-the-insurance-coverage-required-under this-Act;~~

[+2+] a statement of the applicant's practical experience; and

(2) [+3+] the examination fee.

(g) The commissioner shall issue an air conditioning and refrigeration contractor license to an applicant who possesses the required qualifications, passes the appropriate examinations, furnishes evidence of the insurance coverage required under this Act, and pays the ~~[examination-fee-and-the]~~ original license fee required by this Act. An applicant who fails an examination is eligible for reexamination.

SECTION 7. Section 7, Air Conditioning and Refrigeration Contractor License Law (Article 8861, Vernon's Texas Civil Statutes), is amended to read as follows:

Sec. 7. REPORTING REQUIREMENT. (a) Each air conditioning and refrigeration contractor ~~[person]~~ licensed under this Act shall notify the municipal authority who has control of the enforcement of regulations relative to air conditioning and refrigeration contracting in the municipality in which the person is engaged in air conditioning and refrigeration contracting that the person has obtained a state license.

(b) The notification must be in the form required by the municipality.

(c) The amount of a fee imposed by a municipality on a contractor to provide notice under this section must be an amount reasonable and necessary to implement this section.

SECTION 8. Section 8, Air Conditioning and Refrigeration Contractor License Law (Article 8861, Vernon's Texas Civil Statutes), is amended to read as follows:

Sec. 8. PENALTY. Except as provided in Section 9, a person commits an offense if the person knowingly or intentionally engages in air conditioning and refrigeration contracting without a license issued under this Act. An offense under this section is a Class A [B] misdemeanor.

SECTION 9. Section 9, Air Conditioning and Refrigeration Contractor License Law (Article 8861, Vernon's Texas Civil Statutes), is amended to read as follows:

Sec. 9. MUNICIPAL REGULATION. (a) A license issued by a municipality of this state that complies with the requirements of this section is valid under the terms of the license within that municipality. However, a license issued under this Act is valid throughout the state, and the holder and people under supervision are not required to hold a municipal license to practice air conditioning and refrigeration contracting in any municipality within this state.

(b) An applicant for a municipal license must:

(1) pass an examination that covers the same subjects as the examination required by the commissioner for an air conditioning and refrigeration contractor license of the class of work that the municipal applicant proposes to perform; and

(2) meet experience requirements that are at least as strict as those required under Section 4(e) of this Act for an air conditioning and refrigeration contractor license.

(c) A municipality may by ordinance adopt and enforce standards for air conditioning and refrigeration contractors that are consistent with the standards established under this Act. The municipality shall report violations of the ordinance to the commissioner not later than the 10th day after the date on which the municipality takes action to enforce the ordinance. Conviction of an offense under the municipal ordinance is a ground for the

denial, suspension, or revocation of a license issued under this Act.

SECTION 10. Section 23(c), The Real Estate License Act (Article 6573a, Vernon's Texas Civil Statutes), is amended by adding Subdivision (4) to read as follows:

(4) In addition to the license requirements imposed under Subdivisions (1)-(3) of this subsection, a business entity that inspects an environmental air conditioning system, commercial refrigeration system, or process cooling or heating system as part of a real estate inspection conducted under this Act must employ a person who holds the appropriate air conditioning and refrigeration contractor licenses and endorsements under the Air Conditioning and Refrigeration Contractor License Law (Article 8861, Vernon's Texas Civil Statutes). An employee who does not hold a license or endorsement under the Air Conditioning and Refrigeration Contractor License Law (Article 8861, Vernon's Texas Civil Statutes) may perform the inspection under the direction of the license holder. For purposes of this Act, "inspection" of environmental air conditioning, commercial refrigeration, and process cooling and heating equipment means an inspection that includes the use of electronic instruments, gauges, thermometers, mechanical instruments, or other meters that require direct in-line connection to the refrigerant system.

SECTION 11. Section 32.12(a), Education Code, is amended to read as follows:

(a) The following schools or educational institutions are specifically exempt from the provisions of this chapter and are not within the definition of "proprietary school":

(1) a school or educational institution supported by taxation from either a local or State source;

(2) nonprofit schools owned, controlled, operated, and conducted by bona fide religious, denominational, eleemosynary, or similar public institutions exempt from property taxation under the laws of this State, but such schools may choose to apply for a certificate of approval hereunder, and upon approval and issuance, shall be subject to the provisions of this chapter as determined by the administrator;

(3) a school or training program which offers instruction of purely avocational or recreational subjects as determined by the administrator;

(4) a course or courses of instruction or study sponsored by an employer for the training and preparation of its own employees, and for which no tuition fee is charged to the student;

(5) a course or courses of study or instruction sponsored by a recognized trade, business, or professional organization for the instruction of the members of the organization with a closed membership;

(6) private colleges or universities which award a recognized baccalaureate, or higher degree, and which maintain and operate educational programs for which a majority of the credits given are transferable to a college, junior college, or university supported entirely or partly by taxation from either a local or State source;

(7) a school or course which is otherwise regulated and approved under and pursuant to any other law or rulemaking process of the State or approved for continuing education credit by an organization that accredits courses for the maintenance of a license, except as provided by Subsection (c) of this section;

(8) aviation schools or instructors approved by and under the supervision of the Federal Aviation Administration;

(9) a school which offers intensive review courses designed to prepare students for certified public accountancy tests, public accountancy tests, law school aptitude tests, bar examinations, or medical college admissions tests;

(10) a private school offering primary or secondary education, which may include kindergarten or prekindergarten program, and which satisfies the compulsory attendance requirements of Section 21.032 of this code pursuant to Section 21.033(a)(1) of this code; [and]

(11) a course or courses of instruction by bona fide electrical trade associations for the purpose of preparing students for electrical tests required for licensing and for the purpose of providing continuing education to students for the renewal of electrical licenses; and

(12) a course or training program conducted by a nonprofit association of air conditioning and refrigeration contractors approved by the Air Conditioning and Refrigeration Contractors Advisory Board, to provide instruction for technical, business, or license examination preparation programs relating to air conditioning and refrigeration contracting, as that term is defined by the Air Conditioning and Refrigeration Contractor License Law (Article 8861, Vernon's Texas Civil Statutes).

SECTION 12. Section 25, Residential Service Company Act (Article 6573b, Revised Statutes), is amended to read as follows:

Sec. 25. EXEMPTIONS. The provisions of this Act shall not apply to any of the following persons and transactions, and each and all of the following persons and transactions are hereby exempted from the provisions of this Act, to wit:

(a) performance guarantees given by either the builder of a home or the manufacturer or seller of an appliance or other system or component;

(b) any residential service contract executed on or before the effective date of this Act;

(c) any service contract, guarantee, or warranty intending to guarantee or warrant the repairs or service of a home appliance, system, or component, provided such service contract, guarantee, or warranty is issued by a person who has sold, serviced, repaired, or provided replacement of such appliance, system, or component at the time of, or prior to the issuance of such contract, guarantee, or warranty; and provided further that the person issuing the service contract, guarantee, or warranty does not engage in the business of a service company;

(d) any person engaging in the business of structural pest control in compliance with the Texas Structural Pest Control Act, as amended (Article 135b-6, Vernon's Texas Civil Statutes, 1925);

(e) any person who performs air conditioning and refrigeration contracting in compliance with the Air Conditioning and Refrigeration Contractor License Law (Article 8861, Vernon's Texas Civil Statutes); and

(f) any service or maintenance contract or agreement, or warranty, which provides for, warrants, or guarantees, the maintenance, repair, service, replacement, or operation or performance, of any product or part thereof, including but not limited to a structural component, the appliances, or the electrical, plumbing, heating, cooling or air-conditioning systems in or of a building or residence, provided such service or maintenance contract or agreement, or warranty is sold, offered for sale, or issued by the manufacturer or merchant who manufactured or sold such product or part thereof.

SECTION 13. (a) The change in law made to Section 8, Air Conditioning and Refrigeration Contractor License Law (Article 8861, Vernon's Texas Civil Statutes), by this Act applies only to an offense committed on or after the effective date of this Act. For purposes of this section, an offense is committed before the effective date of this Act if any element of the offense occurs before that date.

(b) An offense committed before the effective date of this Act is governed by the law in effect when the offense was committed, and the former law is continued in effect for that purpose.

SECTION 14. (a) Except as provided by Subsection (b) of this section, the change in law made to Section 9, Air Conditioning and Refrigeration Contractor License Law (Article 8861, Vernon's Texas Civil Statutes), by this Act applies to a municipal license that is issued or renewed on or after the effective date of this Act. A municipality subject to that section shall adopt examination requirements in compliance with that section not later than January 1, 1996.

1 (b) To continue to engage in the practice of air  
2 conditioning and refrigeration contracting after September 1, 1995,  
3 a person who holds a municipal license on the effective date of  
4 this Act must satisfy the examination requirements imposed under  
5 Section 9(b), Air Conditioning and Refrigeration Contractor License  
6 Law (Article 8861, Vernon's Texas Civil Statutes), as amended by  
7 this Act, not later than June 1, 1996.

8 SECTION 15. (a) This Act takes effect September 1, 1995.

9 (b) Not later than December 31, 1995, the commissioner of  
10 licensing and regulation shall adopt rules as required by Section  
11 3C, Air Conditioning and Refrigeration Contractor License Law  
12 (Article 8861, Vernon's Texas Civil Statutes), as added by this  
13 Act.

14 (c) Section 23(c), The Real Estate License Act (Article  
15 6573a, Vernon's Texas Civil Statutes), as amended by this Act,  
16 applies only to a real estate inspection that is conducted on or  
17 after the effective date of this Act. A real estate inspection  
18 conducted before that date is governed by the law in effect on the  
19 date that the inspection occurs, and the former law is continued in  
20 effect for that purpose.

21 (d) Section 32.12(a), Education Code, as amended by this  
22 Act, applies only to a course or training program conducted by a  
23 nonprofit association of air conditioning and refrigeration  
24 contractors that is offered on or after the effective date of this  
25 Act. A course or training program offered before that date is  
26 governed by the law in effect on the date that the course or  
27 program is offered, and the former law is continued in effect for  
28 that purpose.

29 (e) Section 25, Residential Service Company Act (Article  
30 6573b, Revised Statutes), as amended by this Act, applies only to a  
31 residential service contract that is entered into on or after the  
32 effective date of this Act. A residential service contract that is  
33 entered into before that date is governed by the law in effect on  
34 the date that the contract is entered into, and the former law is  
35 continued in effect for that purpose.

36 SECTION 16. The importance of this legislation and the  
37 crowded condition of the calendars in both houses create an  
38 emergency and an imperative public necessity that the  
39 constitutional rule requiring bills to be read on three several  
40 days in each house be suspended, and this rule is hereby suspended.

41 \* \* \* \* \*



**FAVORABLE  
SENATE COMMITTEE REPORT ON**

SB SCR SJR SR HB HCR HJR 796

By Senator Cain  
(Author/Senate Sponsor)

May 23, 1995  
(date)

We, your Committee on ECONOMIC DEVELOPMENT, to which was referred the attached measure,  
have on May 23, 1995, had the same under consideration and I am instructed to report it  
(date of hearing)  
back with the recommendation (s) that it:

☒ do pass and be printed

☐ do pass and be ordered not printed

☐ and is recommended for placement on the Local and Uncontested Bills Calendar.

A fiscal note was requested. ☐ yes ☐ no

A revised fiscal note was requested. ☐ yes ☐ no

An actuarial analysis was requested. ☐ yes ☐ no

Considered by subcommittee. ☐ yes ☐ no

The measure was reported from Committee by the following vote:

	YEA	NAY	ABSENT	PNV
Senator David Sibley, Chair			✓	
Senator Peggy Rosson, Vice-Chair	✓			
Senator Rodney Ellis	✓			
Senator Chris Harris			✓	
Senator Tom Haywood	✓			
Senator Don Henderson			✓	
Senator John Leedom			✓	
Senator Eddie Lucio	✓			
Senator Frank Madla			✓	
Senator Jerry Patterson	✓			
Senator Florence Shapiro	✓			
TOTAL VOTES	6		5	

**COMMITTEE ACTION**

S260 Considered in public hearing

S270 Testimony taken

Barbara Henderson  
COMMITTEE CLERK

David R. Hays  
CHAIRMAN

Paper clip the original and one copy of this signed form to the original bill  
Retain one copy of this form for Committee files

## BILL ANALYSIS

Senate Research Center

H.B. 796  
By: Carona (Cain)  
Economic Development  
5-18-95  
Engrossed

### BACKGROUND

The Air Conditioning and Refrigeration Contractor License Law (Article 8861, V.T.C.S.) was originally passed in 1983 for consumer protection and industry relief from widely varying municipality requirements. The law requires persons engaging in environmental air conditioning, commercial refrigeration, or process heating or cooling to be examined and licensed by the State of Texas. The original law applied only to environmental air conditioning. In 1987, ventilation was added to the definition of environmental air conditioning, and commercial refrigeration and process cooling and heating was added as an endorsement to the same license.

### PURPOSE

As proposed, H.B. 796 clarifies the present Air Conditioning and Refrigeration Contractor License Law to allow for better administration and enforcement of contracts, including setting forth regulations regarding persons contracting without a license, the licensing and training of contractors, and air conditioning duct cleaning services; provides a criminal penalty.

### RULEMAKING AUTHORITY

It is the committee's opinion that rulemaking authority is granted to the commissioner of licensing and regulation under SECTION 5 (Section 3C, Article 8861, V.T.C.S.) of this bill.

### SECTION BY SECTION ANALYSIS

SECTION 1. Amends Sections 2(7) and (9), Article 8861, V.T.C.S. (Air Conditioning and Refrigeration Contractor License Law), to redefine "air conditioning and maintenance work" and "air conditioning and refrigeration contracting."

SECTION 2. Amends Section 3(e), Article 8861, V.T.C.S., to require examinations administered under this Act to be offered on a quarterly basis at locations designated by the commissioner of licensing and regulation (commissioner), rather than being offered only in Travis County.

SECTION 3. Amends Section 3A, Article 8861, V.T.C.S., by adding Subsection (i), to provide that Section 8, Article 6252-33, V.T.C.S., does not apply to the Air Conditioning and Refrigeration Contractors Advisory Board (board).

SECTION 4. Amends Section 3B, Article 8861, V.T.C.S., as follows:

Sec. 3B. New heading: LICENSE REQUIRED; CITATION. (a) Created from existing text.

(b) Authorizes a representative of the Texas Department of Licensing and Regulation or a municipal official to issue a citation to a person who performs air conditioning and refrigeration contracting without a license issued under this Act. Provides that a municipal court has concurrent jurisdiction with a justice court of a precinct in which the municipality is located in a case arising from a citation issued under this subsection.

SECTION 5. Amends Article 8861, V.T.C.S., by adding Section 3C, as follows:

Sec. 3C. ENFORCEMENT OF CONTRACTS. (a) Prohibits a person who performs air

conditioning and refrigeration contracting without holding a license from collecting a fee or enforcing a contract for services performed. Requires the person performing the services to present proof that the person holds a license when the contract is signed and the work performed to enforce an air conditioning or refrigeration contract.

(b) Requires the commissioner to adopt rules relating to the manner in which proof may be presented.

SECTION 6. Amends Sections 4(f) and (g), Article 8816, V.T.C.S., as follows:

(f) Deletes existing Subdivision (1) requiring the license application to be accompanied by evidence of insurance coverage required under this Act. Redesignates existing Subdivisions (2) and (3) as Subdivisions (1) and (2).

(g) Requires the commissioner to issue an air conditioning and refrigeration license to an applicant who furnishes evidence of insurance coverage required under this Act, among other requirements. Deletes language providing that the applicant pay the examination fee as a stipulation to getting a license.

SECTION 7. Amends Section 7, Article 8861, V.T.C.S., as follows:

Sec. 7. REPORTING REQUIREMENT. (a) Created from existing text. Makes a nonsubstantive change.

(b) Created from existing text.

(c) Requires the amount of a fee imposed by a municipality on a contractor to provide notice to be an amount necessary to implement this section.

SECTION 8. Amends Section 8, Article 8861, V.T.C.S., to provide that an offense under this section is a Class A, rather than Class B, misdemeanor.

SECTION 9. Amends Section 9, Article 8861, V.T.C.S., as follows:

Sec. 9. MUNICIPAL REGULATION. (a) Makes a conforming change.

(b) Sets forth requirements for an applicant for a municipal license.

(c) Redesignates existing Subsection (b).

SECTION 10. Amends Section 23(c), Article 6573a, V.T.C.S. (Real Estate License Act), by adding Subdivision (4), to require a business entity that inspects an environmental air conditioning system, commercial refrigeration system, or process cooling or heating system as part of a real estate inspection to employ a person who holds the appropriate licenses and endorsements under Article 8861, V.T.C.S. Authorizes an employee who does not hold a license or endorsement under Article 8861, V.T.C.S., to perform the inspection under the direction of the license holder. Defines "inspection."

SECTION 11. Amends Section 32.12(a), Education Code, to redefine "proprietary school" to include a course or training program conducted by a nonprofit association of air conditioning and refrigeration contractors approved by the board, to provide instruction for technical business, or license examination programs relating to air conditioning and refrigeration contracting.

SECTION 12. Amends Section 25, Article 6573b, V.T.C.S. (Residential Service Company Act), to include in the list of persons exempted from the provisions of this Act any person who performs air conditioning and refrigeration contracting in compliance with Article 8861, V.T.C.S. Makes conforming changes.

SECTION 13. Makes application of the changes in law made to Section 8, Article 8861, V.T.C.S., by this Act prospective.

SECTION 14. (a) Applies the change in law made to Section 9, Article 8861, V.T.C.S., by this Act to a municipal license that is issued or renewed on or after the effective date of this Act. Requires a municipality subject to that section to adopt examination requirements in compliance with that section by January 1, 1996, except as provided by Subsection (b).

(b) Requires a person who holds a municipal license on the effective date of this Act to satisfy the examination requirements imposed under Section 9(b), Article 8861, V.T.C.S., by June 1, 1996, to continue to engage in the practice of air conditioning and refrigeration contracting after September 1, 1995.

SECTION 15. (a) Effective date: September 1, 1995.

(b) Requires the commissioner to adopt rules as required by Section 3C, Article 8861, V.T.C.S., as amended by this Act, by December 31, 1995.

(c) Makes application of the changes made to Section 23(c), Article 6573a, V.T.C.S., by this Act prospective.

(d) Makes application of the changes made to Section 32.12(a), Education Code, by this Act prospective.

(e) Makes application of the changes made to Section 25, Article 6573b, V.T.C.S., by this Act prospective.

SECTION 16. Emergency clause.

## BILL ANALYSIS

Senate Research Center

H.B. 796  
By: Carona (Cain)  
Economic Development  
05-24-95

Senate Committee Report (Unamended)

### BACKGROUND

The Air Conditioning and Refrigeration Contractor License Law (Article 8861, V.T.C.S.) was originally passed in 1983 for consumer protection and industry relief from widely varying municipality requirements. The law requires persons engaging in environmental air conditioning, commercial refrigeration, or process heating or cooling to be examined and licensed by the State of Texas. The original law applied only to environmental air conditioning. In 1987, ventilation was added to the definition of environmental air conditioning, and commercial refrigeration and process cooling and heating was added as an endorsement to the same license.

### PURPOSE

As proposed, H.B. 796 clarifies the present Air Conditioning and Refrigeration Contractor License Law to allow for better administration and enforcement of contracts, including setting forth regulations regarding persons contracting without a license, the licensing and training of contractors, and air conditioning duct cleaning services; provides a criminal penalty.

### RULEMAKING AUTHORITY

It is the committee's opinion that rulemaking authority is granted to the commissioner of licensing and regulation under SECTION 5 (Section 3C, Article 8861, V.T.C.S.) of this bill.

### SECTION BY SECTION ANALYSIS

SECTION 1. Amends Sections 2(7) and (9), Article 8861, V.T.C.S. (Air Conditioning and Refrigeration Contractor License Law), to redefine "air conditioning and maintenance work" and "air conditioning and refrigeration contracting."

SECTION 2. Amends Section 3(e), Article 8861, V.T.C.S., to require examinations administered under this Act to be offered on a quarterly basis at locations designated by the commissioner of licensing and regulation (commissioner), rather than being offered only in Travis County.

SECTION 3. Amends Section 3A, Article 8861, V.T.C.S., by adding Subsection (i), to provide that Section 8, Article 6252-33, V.T.C.S., does not apply to the Air Conditioning and Refrigeration Contractors Advisory Board (board).

SECTION 4. Amends Section 3B, Article 8861, V.T.C.S., as follows:

Sec. 3B. New heading: LICENSE REQUIRED; CITATION. (a) Created from existing text.

(b) Authorizes a representative of the Texas Department of Licensing and Regulation or a municipal official to issue a citation to a person who performs air conditioning and refrigeration contracting without a license issued under this Act. Provides that a municipal court has concurrent jurisdiction with a justice court of a precinct in which the municipality is located in a case arising from a citation issued under this subsection.

SECTION 5. Amends Article 8861, V.T.C.S., by adding Section 3C, as follows:

Sec. 3C. ENFORCEMENT OF CONTRACTS. (a) Prohibits a person who performs air

conditioning and refrigeration contracting without holding a license from collecting a fee or enforcing a contract for services performed. Requires the person performing the services to present proof that the person holds a license when the contract is signed and the work performed to enforce an air conditioning or refrigeration contract.

(b) Requires the commissioner to adopt rules relating to the manner in which proof may be presented.

SECTION 6. Amends Sections 4(f) and (g), Article 8861, V.T.C.S., as follows:

(f) Deletes existing Subdivision (1) requiring the license application to be accompanied by evidence of insurance coverage required under this Act. Redesignates existing Subdivisions (2) and (3) as Subdivisions (1) and (2).

(g) Requires the commissioner to issue an air conditioning and refrigeration license to an applicant who furnishes evidence of insurance coverage required under this Act, among other requirements. Deletes language providing that the applicant pay the examination fee as a stipulation to getting a license.

SECTION 7. Amends Section 7, Article 8861, V.T.C.S., as follows:

Sec. 7. REPORTING REQUIREMENT. (a) Created from existing text. Makes a nonsubstantive change.

(b) Created from existing text.

(c) Requires the amount of a fee imposed by a municipality on a contractor to provide notice to be an amount necessary to implement this section.

SECTION 8. Amends Section 8, Article 8861, V.T.C.S., to provide that an offense under this section is a Class A, rather than Class B, misdemeanor.

SECTION 9. Amends Section 9, Article 8861, V.T.C.S., as follows:

Sec. 9. MUNICIPAL REGULATION. (a) Makes a conforming change.

(b) Sets forth requirements for an applicant for a municipal license.

(c) Redesignates existing Subsection (b).

SECTION 10. Amends Section 23(c), Article 6573a, V.T.C.S. (Real Estate License Act), by adding Subdivision (4), to require a business entity that inspects an environmental air conditioning system, commercial refrigeration system, or process cooling or heating system as part of a real estate inspection to employ a person who holds the appropriate licenses and endorsements under Article 8861, V.T.C.S. Authorizes an employee who does not hold a license or endorsement under Article 8861, V.T.C.S., to perform the inspection under the direction of the license holder. Defines "inspection."

SECTION 11. Amends Section 32.12(a), Education Code, to redefine "proprietary school" to include a course or training program conducted by a nonprofit association of air conditioning and refrigeration contractors approved by the board, to provide instruction for technical business, or license examination programs relating to air conditioning and refrigeration contracting.

SECTION 12. Amends Section 25, Article 6573b, V.T.C.S. (Residential Service Company Act), to include in the list of persons exempted from the provisions of this Act any person who performs air conditioning and refrigeration contracting in compliance with Article 8861, V.T.C.S. Makes conforming changes.

SECTION 13. Makes application of the changes in law made to Section 8, Article 8861, V.T.C.S., by this Act prospective.

SECTION 14. (a) Applies the change in law made to Section 9, Article 8861, V.T.C.S., by this Act to a municipal license that is issued or renewed on or after the effective date of this Act. Requires a municipality subject to that section to adopt examination requirements in compliance with that section by January 1, 1996, except as provided by Subsection (b).

(b) Requires a person who holds a municipal license on the effective date of this Act to satisfy the examination requirements imposed under Section 9(b), Article 8861, V.T.C.S., by June 1, 1996, to continue to engage in the practice of air conditioning and refrigeration contracting after September 1, 1995.

SECTION 15. (a) Effective date: September 1, 1995.

(b) Requires the commissioner to adopt rules as required by Section 3C, Article 8861, V.T.C.S., as amended by this Act, by December 31, 1995.

(c) Makes application of the changes made to Section 23(c), Article 6573a, V.T.C.S, by this Act prospective.

(d) Makes application of the changes made to Section 32.12(a), Education Code, by this Act prospective.

(e) Makes application of the changes made to Section 25, Article 6573b, V.T.C.S, by this Act prospective.

SECTION 16. Emergency clause.

MSG FROM: S7510B1 --TXLCNJE TO: S0400F4 --TXLCNJE

05/19/95 14:32:03

NOTE

Subject: HB796 \_ (BILL NO.) WITNESS - ECONOMIC DEVELOPMENT  
Revised: \_ WITNESS FORM  
74th Legislature

COMMITTEE: Economic Development  
BILL: HB796 \_\_\_\_\_

DATE: 05 19 95

	FOR	AGAINST	ON
Name: Ken Rigsbee Representing: Phillips 66 City: Austin, TX	x	-	-
Name: Nancy Jones Representing: TX Air Conditioning Contractor City: Blanco, TX	x	-	-
Name: Pauline Denson Representing: TX Dept of Licensing & Regulat City: Austin, TX	-	-	x
Name: Fred Kahn Representing: TACCA City: Dallas, TX	x	-	-
Name: _____ Representing: _____ City: _____	-	-	-
Name: _____ Representing: _____ City: _____	-	-	-
Name: _____ Representing: _____ City: _____	-	-	-
Name: _____ Representing: _____ City: _____	-	-	-
Name: _____ Representing: _____ City: _____	-	-	-
Name: _____ Representing: _____ City: _____	-	-	-
Name: _____ Representing: _____ City: _____	-	-	-

### PART \_ OF \_ ###

<<<<===== E N D O F F O R M =====>>>>



**LEGISLATIVE BUDGET BOARD**  
**Austin, Texas**

**FISCAL NOTE**  
**74th Regular Session**

**May 8, 1995**

**TO: Honorable Senator David Sibley, Chair**  
**Committee on Economic Development**  
**Senate**  
**Austin, Texas**

**IN RE: House Bill No. 796,**  
**as engrossed**  
**By: Carona**

**FROM: John Keel, Director**

In response to your request for a Fiscal Note on House Bill No. 796 (Relating to the regulation of air conditioning and refrigeration contractors; providing penalties.) this office has determined the following:

No fiscal implication to the State or units of local government is anticipated.

**Source: LBB Staff: JK, SM, DF**

**LEGISLATIVE BUDGET BOARD**  
**Austin, Texas**

**FISCAL NOTE**  
**74th Regular Session**

**April 19, 1995**

**TO: Honorable Ron Wilson, Chair**  
**Committee on Licensing & Administrative**  
**Procedures**  
**House of Representatives**  
**Austin, Texas**

**IN RE: Committee Substitute**  
**for House Bill No. 796**

**FROM: John Keel, Director**

In response to your request for a Fiscal Note on House Bill No. 796 (relating to the regulation of air conditioning and refrigeration contractors; providing penalties) this office has determined the following:

No fiscal implication to the State or units of local government is anticipated.

**Source: LBB Staff: JK, DF**

**LEGISLATIVE BUDGET BOARD**  
**Austin, Texas**

**FISCAL NOTE**  
**74th Regular Session**

March 29, 1995

TO: Honorable Ron Wilson, Chair  
Committee on Licensing & Administrative  
Procedures  
House of Representatives  
Austin, Texas

IN RE: House Bill No. 796  
By: Carona

FROM: John Keel, Director

In response to your request for a Fiscal Note on House Bill No. 796 (Relating to the regulation of air conditioning and refrigeration contractors; providing penalties.) this office has determined the following:

The bill would make no appropriation but could provide the legal basis for an appropriation of funds to implement the provisions of the bill.

The bill would allow the Department of Licensing and Regulation or a municipality to issue citations to persons who perform air conditioning and refrigeration contracting without a license. The Department of Licensing and Regulation would regulate the use and sale of certain equipment relating to air conditioning and refrigeration by issuing licenses or exemptions. The affected population would need to be licensed or registered exempt by January 1, 1996.

It is assumed that the first fiscal year would department would issue 55,300 licenses/permits. Thereafter the number issued would be approximately 5,500 per year. The agency would set the fees to cover expenses.

The probable fiscal implication of implementing the provisions of the bill during each of the first five years following passage is estimated as follows:

Fiscal Year	Probable Cost Out of General Revenue Fund 001	Probable Revenue Gain to General Revenue Fund 001	Change in Number of State Employees from FY 1995
1996	\$707,000	\$4,147,500	8.0
1997	368,000	412,500	9.0
1998	365,000	412,500	9.0
1999	365,000	412,500	9.0
2000	365,000	412,500	9.0

Similar annual fiscal implications would continue as long as the provisions of the bill are in effect.

No significant fiscal implication to units of local government is anticipated.

Source: Department of Licensing and Regulation  
LBB Staff: JK, LR, DF

**LEGISLATIVE BUDGET BOARD**  
**Austin, Texas**

**FISCAL NOTE**  
**74th Regular Session**

**May 8, 1995**

**TO: Honorable Senator David Sibley, Chair**  
**Committee on Economic Development**  
**Senate**  
**Austin, Texas**

**IN RE: House Bill No. 796,**  
**as engrossed**  
**By: Carona**

**FROM: John Keel, Director**

In response to your request for a Fiscal Note on House Bill No. 796 (Relating to the regulation of air conditioning and refrigeration contractors; providing penalties.) this office has determined the following:

No fiscal implication to the State or units of local government is anticipated.

**Source: LBB Staff: JK, SM, DF**

H.B. No. 796

By CARONA

**A BILL TO BE ENTITLED  
AN ACT**

Relating to the regulation of air conditioning and refrigeration contractors;  
providing penalties.

JAN 25 1995 Filed with the Chief Clerk  
FEB 2 1995 Read first time and referred to Committee on Financing & Administrative Procedures  
4-11-95 Reported favorably (as amended)  
(as substituted)  
APR 21 1995 Sent to Committee on (Calendars)  
(Local & Consent Calendars)  
MAY 2 1995 Read second time (comm. subst.) (amended); passed to third reading (failed) by a (non-record vote)  
(record vote of \_\_\_\_\_ yeas, \_\_\_\_\_ nays, \_\_\_\_\_ present, not voting)  
Constitutional rule requiring bills to be read on three several days suspended (failed to suspend)  
by a vote of \_\_\_\_\_ yeas, \_\_\_\_\_ nays, \_\_\_\_\_ present, not voting  
MAY 3 1995 Read third time (amended); finally passed (failed to pass) by a (non-record vote)  
(record vote of \_\_\_\_\_ yeas, \_\_\_\_\_ nays, \_\_\_\_\_ present, not voting)  
MAY 03 1995 Engrossed  
MAY 04 1995 Sent to Senate

Cynthia Gerhardt

CHIEF CLERK OF THE HOUSE

**OTHER HOUSE ACTION:**

MAY 04 1995 Received from the House  
MAY 05 1995 Read and referred to Committee on ECONOMIC DEVELOPMENT  
MAY 23 1995 Reported favorably \_\_\_\_\_  
Reported adversely, with favorable Committee Substitute; Committee Substitute read first time  
Ordered not printed  
Laid before the Senate  
Senate and Constitutional Rules to permit consideration suspended by (unanimous consent)  
(\_\_\_\_\_ yeas, \_\_\_\_\_ nays)  
Read second time, \_\_\_\_\_, and passed to third reading by (unanimous consent)  
(a viva voce vote)  
(\_\_\_\_\_ yeas, \_\_\_\_\_ nays)  
Senate and Constitutional 3 Day Rules suspended by a vote of \_\_\_\_\_ yeas, \_\_\_\_\_ nays  
Read third time, \_\_\_\_\_, and passed by (a viva voce vote)  
(\_\_\_\_\_ yeas, \_\_\_\_\_ nays)  
Returned to the House

SECRETARY OF THE SENATE

**OTHER SENATE ACTION:**

\_\_\_\_\_ Returned from the Senate (as substituted)  
(with amendments)

\_\_\_\_\_ House concurred in Senate amendments by a (non-record vote)  
(record vote of \_\_\_\_\_ yeas, \_\_\_\_\_ nays, \_\_\_\_\_ present, not voting)

\_\_\_\_\_ House refused to concur in Senate amendments and requested the appointment of a conference committee  
by a (non-record vote) (record vote of \_\_\_\_\_ yeas, \_\_\_\_\_ nays, \_\_\_\_\_ present, not voting)

\_\_\_\_\_ House conferees appointed: \_\_\_\_\_, Chair; \_\_\_\_\_,  
\_\_\_\_\_, \_\_\_\_\_, \_\_\_\_\_

\_\_\_\_\_ Senate granted House request. Senate conferees appointed: \_\_\_\_\_, Chair;  
\_\_\_\_\_, \_\_\_\_\_, \_\_\_\_\_, \_\_\_\_\_

\_\_\_\_\_ Conference committee report adopted (rejected) by the House by a (non-record vote)  
(record vote of \_\_\_\_\_ yeas, \_\_\_\_\_ nays, \_\_\_\_\_ present, not voting)

\_\_\_\_\_ Conference committee report adopted (rejected) by the Senate by a (viva voce vote)  
(record vote of \_\_\_\_\_ yeas, \_\_\_\_\_ nays)